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NOTICE: An * indicates material not previously disseminated in electronic form.

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Yeltsin Guidelines For Ties With CIS States Detailed

LD1809184895 Moscow INTERFAX in English 1715 GMT 18 Sep 95

[Report by Nikolay Zherebtsov and Andrey Petrovskiy; edited by Vladimir Shishlin; from the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Below is the text of policy guidelines for relations with CIS states President Boris Yeltsin endorsed recently.

The paper says the reasons for priority relations with CIS countries are as follows:

— Russia's vital interests in areas of the economy, defenses and security as well as the protection of the Russians' rights all of which makes up the backbone of the national security is concentrated in the territories of CIS states.

— effective cooperation with CIS states is a factor countering trends at a movement away from Russia.

The main goals of Russia's CIS policy are as follows:

— securing overall stability in political, military, economic, humanitarian and legal dimensions.

— assistance in the emergence of CIS countries as political and economically stable states which will be in pursuit of friendly policies towards Russia.

— consolidating Russia as a leading force in the formation of a new system of political and economic relations in what used to be the Soviet Union.

The paper says economic cooperation must be seen as a fundamental condition for solving the whole spectrum of relations with CIS countries both on a bilateral and multilateral basis within the framework of the economic union.

One of the important ways of beefing up the CIS organizationally is a gradual widening of the customs union of states integrated with Russia economically and by strategic partnership deeper than others.

The paper also outlines plans for a gradual adherence, conditions permitting, of other members of the economic union to the customs union as well as for seeking a rapprochement of national economies by working out ways of improving uniform acts within the framework of the CIS interparliamentary assembly.

It says the Moscow-offered model of varied-speed CIS integration is not mandatory, but its partners' attitude to the model will be a crucial factor determining the scope of Russia's economic, political or military support.

Signatories to bilateral agreements should not have equal (let alone greater) advantages than members of the customs union, says the paper.

Normalization of settlements is seen as an important condition for better CIS cooperation. In this connection, it is offered to build up efforts in forming a payment union including the establishment of common rules of arranging CIS currency markets, the use of exchange rates based on supply and demand, achievement of currencies convertibility and the use of the Russian ruble as a reserve currency in a foreseeable future.

Ensuring conditions for a functioning of the CIS economic union's interstate economic committee as an international organization aimed at more effective CIS cooperation is one other important point of the document, experts say.

The paper states the need for a collective security system based on the collective security treaty of May 1992 and bilateral agreements between CIS states and encourage any plans by the signatories to form a defense alliance on the basis of common interests, and military and political goals.

Moscow also believes it necessary to improve a mechanism of implementing earlier CIS defense agreements and preserving military infrastructures on the basis of mutual agreement. In the event of mutual interest, the sides must shift to the principle of military bases, but the states of Russian bases, servicemen and their dependants must be clearly defined.

All of these issues must be resolved depending on the military and political situation in each CIS state.

Moscow thinks it important to try to get other CIS states to honor their commitment to refrain from any involvement in alliances or blocs spearheaded against any of the CIS states.

In the meantime, it will work on a premise that ensuring security of CIS borders which is the organization's common cause and must be implemented together meets both Russia's national interests and common interests of the CIS states.

It is envisaged that peacekeeping must follow a concerted effort by all CIS states by their greater involvement in all phases of work on a rapid-response mechanism of CIS peackeeping activity. All the work must be done in cooperation with the UN and OSCE [Organization for Security and Cooperation in Europe] and efforts must be made to get them involved in resolving CIS conflicts, the paper says.

The Russian leader intends to step up a cultural exchange and cooperation in areas of science, education and sports with all republics of the former Soviet Union.

The paper also outlines the need for beaming Russian TV and radio broadcasts at those countries, an advancement of the Russian press to the region and CIS personnel training in Russia.

Specific attention is to be drawn to restoring Russia's position as a chief educational center in what used to be the Soviet Union because of the need to rear a younger generation of other CIS states in a spirit of friendship towards Russia.

The Russian government plans:

— to open information exchange and cooperation by the national commissions for UNESCO affairs of the CIS states.

— to seek equal rights to all citizens of CIS states regardless of ethnic or other differences and help towards expression, preservation and development of ethnic, cultural, linguistic and religious identity of all groups living in CIS states.

— to help towards the adaptation of members of the Russian community to new political, social and economic realities in countries of permanent residence — the republics of the former Soviet Union.

The paper says that Russia will retaliate by raising any solution to financial, economic, military, political and other cooperation with any CIS state violating the rights of the Russian community there.

Moscow plans to assist members of the Russian communities in other CIS states in carrying out industrial, economic, entrepreneurial, commercial, cultural and educational activity.

Bilateral relations with other CIS states are to be formed depending on the specifics and readiness of each of them for various forms of deeper integration.

The paper sets following conditions for this:

— assistance in stabilizing the political, economic and social situation in those countries;

— their gradual and voluntary involvement in CIS integration processes and collective decision making on matters such as military security, border protection and peacekeeping.

— prevention of confrontational relations of Russia with other CIS states.

Prospects for Full CIS Customs Union Seen as Remote

MK1909070595 Moscow SEGODNYA in Russian 15 Sep 95 p 2

[Report by Vera Brycheva: "CIS Customs Regulations Are Gradually Being Unified. But Other CIS Countries Have Not Joined the Customs Union of Russia, Belarus, and Kazakhstan"]

[FBIS Translated Text] A regular session of the Council of CIS Customs Service Chiefs took place in Moscow on the premises of the Russian Federation State Customs Committee yesterday.

The session considered matters of unifying customs documentation and streamlining customs procedures. The latter include procedures for declaring goods and transport means, uniform instructions on filling out the cargo customs declaration, and uniform software for entering customs declarations into computers and monitoring them.

Furthermore, the customs service chiefs signed an agreement on a uniform commodity nomenclature for CIS foreign economic activity. The maintenance [vedeniye] of the commodity nomenclature (i.e. its adjustment to international standards and the issuance of explanations and other comments related to its interpretation) is entrusted to the Russian Customs Service. Council members are sure that adoption of this agreement will enhance the effectiveness of tariff and nontariff regulation of foreign economic activity, statistical procedures, and the exchange of statistical information.

It should be pointed out, though, that only Russia, Kazakhstan, and Belarus have concluded a customs union, while no other states have so far joined it.

Trade between Belarus and Russia is effectively free even now. Relations with Kazakhstan have also been established. In a conversation with your SEGODNYA correspondent, Nurlan Tlemisov, representative of the Kazakhstan Customs Committee to the Russian State Customs Committee, noted that the subjects discussed at yesterday's session lag seriously behind the actual practice of the two countries' customs relations. According to Tlemisov, all problems of streamlining customs procedures have long been addressed by the chiefs of the two states' corresponding services. Yet even here there are some difficulties. According to the Kazakhstan representative, a full opening of the border cannot happen before this December, and the main condition for it should be accession by Kirgizia [Kyrgyzstan] and Uzbekistan to the customs [word indistinct]. Their accession is also planned for later this year. However, if for some reason it does not come off or is postponed, this will not affect the prospects for lifting customs barriers between Russia and Kazakhstan. Simply, Tlemisov said, "in this event we shall have to seriously reinforce our customs borders with Kirgizia and Uzbekistan."

As for the expansion of the customs union to incorporate the whole of the former USSR, these prospects are thus far not very bright. According to Tlemisov, this process could last for decades. Much here depends on political and economic relations between the states on the territory of the former USSR, which, as is known, are far from cloudless today.

Journalist Roundtable Established in Moscow

LD1909100995 Moscow Radiostantsiya Ekho Moskvy in Russian 0800 GMT 19 Sep 95

[FBIS Translated Text] An agreement was signed in Moscow today to set up a roundtable of the heads of CIS journalists' associations. Our correspondent Dmitriy Khitarov has the details:

[Khitarov] Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Uzbekistan, and Ukraine have already joined the agreement. The roundtable is a consultative body. Any association of journalists which shares the views of this organization and agrees with its tasks can join it. The roundtable believes that its main tasks are to expand the single information area, coordinate efforts aimed at protecting social rights and the rights of authors, journalists' dignity and honor, and to develop modern technologies in the mass media.

Federation Council Speaker Vladimir Shumeyko, who attended the roundtable sitting, said that the press is a real force influencing the political situation, and joint efforts by journalists will therefore have a favorable effect on relations between their countries.

ITAR-TASS Carries Press Review for 19 Sep

LD1909060595 Moscow ITAR-TASS in English 0557 GMT 19 Sep 95

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] Moscow September 19 (ITAR-TASS) — ROSSIYSKAYA GAZETA on the position of the Executive power in Russia.

The newspaper carries an interview with Sergey Belyayev, Chairman of the State Property Committee, who believes that "the position of the Executive power in Russia is unique nowadays. The Government operates, relying on Presidential authority, possibilities for the consolidation of forces in parliament for the adoption of laws, and on the prestige of individual ministers. The situation is utterly abnormal for any power body. Particularly in the light of the reform process.

"Stability and order are the main slogan of our movement (Russia Our Home). If we want stability in the development of society, it is essential to form a real political force for the government to be able to continue to effect reforms steadily and purposefully," Belyayev said.

TRUD on delays in the payment of pensions in Russia.

"There is no region in Russia where pensions are paid on time. Delays amount to 10, 20 and more days on average. The July wage arrears for industrial and office workers amounted to about 7,000,000 million roubles and continue to grow from month to month".

ROSSIYSKIYE VESTI on inflation, pensions, and basket of staple foods.

Inflation rate in Russia went down to 0.9 percent over the period from September 5 to 11 as against 1.2 percent in the previous week.

In September, approximately three million pensioners will have their pensions paid with delays lasting about 10 days. The cost of a basket of 19 staple foods diminished over the same period as compared with the previouus week to amount to 204,700 roubles.

TRUD carries an interview with Boris Uvarov, Senior Investigator of Especially Serious Cases, who dwells on attitudes at the Office of the Procurator-General and on principles which the leadership of the Office, in Uvarov's view, seeks to assert.

KRASNAYA ZVEZDA on army debts to the power sector and public utilities.

"Few of local administration chiefs, who urge the Russian Ministry of Defence and the Chief of the General Staff to take prompt measures for the army to repay its debts to the power sector and public utilities, at the same time appeal to the Government or Parliament. It was precisely the latter's efforts that promoted such a military budget which began to trouble both the Armed Forces and all those who deal with them in the middle of the year.

"A public opinion is being moulded once again to the effect that the Army and the Navy are to blame for such a state of affairs, that the military ostensibly avoid repaying debts, which brings misfortune to everyone".

PRAVDA on Russia's specificity as an independent civilisation.

The newspaper runs an interview with Deputy Speaker of the Federation Council Anatoliy Dolgolaptev, who points out that "Russia is an independent civilisation with a number of basic specific features. Great geographical expanses. Outstanding natural wealth. Unique culture as the consequence of the centuries-long interaction of people of hundreds of nationalities, professing all religions of the world".

"For centuries, and in in Soviet times — for decades — Russia did not know serious inter-ethnic conflicts. Is this, maybe, the state of things which the entire world should strive for to prevent global threats? Is it, maybe, that the world needs us in such diverse manifestations...?" Dolgolaptev queries.

SOVETSKAYA ROSSIYA frontpages a big analytical article dealing with Decree 1,400 and the subsequent events in 1993.

Diplomat Explains Yeltsin Veto of Duma Sanctions Bill

LD1809145995 Moscow INTERFAX in English 1438 GMT 18 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 18 (Interfax) — Russian President Boris Yeltsin's refusal to sign the Duma-passed bill on the unilateral withdrawal from international sanctions against Belgrade "fully corresponds to Moscow's policies of responsibility in international affairs," a senior Russian diplomat told Interfax on Monday.

Russia "stands for the earliest lifting or at least suspension of all sanctions against the United Republic of Yugoslavia," he said.

But Russia intends to achieve this goal by acting in accordance with international laws, he said.

The Russian diplomat said that the decision to extend the partial suspension of sanctions against Yugoslavia, which was taken by the UN Security Council last week, "does not reflect the growing positive role which Belgrade plays in the settlement of the crisis in the former Yugoslavia."

At the same time the diplomat said that Russia's representative had voted in favor of the relevant resolution because some positive amendments were introduced into it.

Chernomyrdin Warns Russia Can Act Unilaterally on FRY

LD1809204095 Moscow Russian Television Network in Russian 1900 GMT 18 Sep 95

[From the "Vesti" newscast]

[FBIS Translated Text] On Tuesday, Russian Television is planning to show the regular program by Irina Lapina "How will we live?" Viktor Chernomyrdin is the hero of the program this time. We offer you an excerpt from the program, which was filmed today. The prime minister speaks about the conflict in the Balkans.

[Begin Chernomyrdin recording] Russia has a great deal to do with the fact that today things have started to change there. It was clearly stated that nothing can be resolved by bombing, and would not be solved. In any case, so to speak, it is necessary to sit down at the negotiating table. Russia had its say here and still has. It [Russia] has had its say. If they [bombings] are not stopped, we also have something we can use. We also can take a unilateral decision to lift the embargo. We have not done this so far; we are observing our accords and the accords in general that were reached under the UN flag — under the aegis of the UN. But we are warning, and we have warned before — we have not betrayed anyone and we are not going to do it — that we are not going to remain silent. What happened today took place with Russia's consent and participation. These are the methods that should be used to proceed further. Issues should be tackled at the negotiating table, and, incidentally, they will be resolved at the table and not by bombings. [end recording]

General Lebed Urges Moscow To 'Stand Up' for Serbs

AU1909091395 Paris AFP in English 0840 GMT 19 Sep 95

[FBIS Transcribed Text] Bonn, Sept 19 (AFP) — Russian General Aleksandr Lebed condemned NATO attacks on the Bosnian Serbs and urged Moscow to stand up for its Serb brethren in the Balkans, according to extracts from an interview released Tuesday.

"We will win or die with our brothers. That is what Russia should say very clearly to cool down these hotheads from the West," he told the German weekly STERN in an interview to be published Thursday.

Lebed likened North Atlantic Treaty Organisation intervention in the Balkans to "a bull in a china shop."

He criticised NATO's seeking a role as a "world policeman who has the right to do anything," and said Russian Foreign Minister Andrey Kozyrev had not properly defended Russian interests. Lebed denounced the West for treating Russia "like a third world country."

Lebed is one of the most popular candidates in Russian general elections due in December and is considered a rival to President Boris Yeltsin.

Zotov: Contact Group To Meet in Moscow Early Oct

LD1809175095 Moscow INTERFAX in English 1625 GMT 18 Sep 95

[Report by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others; from the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Sept 18 (Interfax) — The international Contact Group on Bosnia is expected to hold its next session in Moscow early next month, Aleksandr Zotov, Russian president's representative in former Yugoslavia, told Interfax Monday, but he did not say exactly when.

He said that Russian officials' agenda was crowded in the run up to the 50th session of the U.N. general Assembly and some time has to be found for the Contact Group to meet in Moscow in the first days of October.

In addition, Russia would like the session to make a significant contribution to the settlement of the Bosnian crisis and to start the "transition from violence to peace in former Yugoslavia," said Zotov.

He said that "many members of the Contact Group (Russia, the U.S., France, Great Britain and Germany — IF Note) will be working in the region and some of the issues are being discussed."

Zotov said that some work must be done in order for the Moscow session to produce results.

He did not rule out the possibility that representatives of Yugoslavia, Croatia and Bosnia-Herzegovina will be invited to participate in the session.

Everything will depend on how much material is ready to work on by that time, said Zotov.

Secrecy Surrounding Visit of Bosnian Minister To End

LD1909114095 Moscow ITAR-TASS in English 1127 GMT 19 Sep 95

[By Valeriy Sevryukov]

[FBIS Transcribed Text] MOSCOW, September 19 (Itar-Tass) — The veil of secrecy which covered the stay of Bosnian Serb Foreign Minister Aleksa Buha, who arrived in the Russian capital on Monday evening, will probably be lifted today afternoon during his meeting with Russian First Deputy Foreign Minister Igor Ivanov.

Itar-Tass has learned from diplomatic sources that Aleksandr Zotov, the Russian President's Special Representative in former Yugoslavia would take part in the talk. The range of people taking part in the negotiations gives ground for the assumption that their main subject will be that of promoting the peace process in Bosnia. Representatives of the Russian Foreign Ministry will receive Aleksa Buha only as member of the joint Serbian delegation to the talks on the settlement of the crisis in former Yugoslavia.

The Serb minister's pronouncements before his trip to Russia, accentuating the Bosnian Serbs' interest in armaments, including mobile anti-aircraft facilities, will hardly find any response from representatives of the Russian Foreign Ministry, the above-mentioned sources believe. Diplomats have repeatedly noted that the Russian foreign policy initiative was intended only to reach a peaceful political settlement of the conflict in Bosnia. Russia's unilateral withdrawal from the regime of sanctions against the Serbs would first of all contradict international law and would be infeasible at present due to technical reasons, experts note.

Reports published by some means of mass information that Buha planned to attend today the opening here of a Bosnian Serb Cultural Centre have not been confirmed. Itar-Tass was told at the Bosnian Serb Republic's mission here that such a function was now being prepared, but it is to take place at the end of October.

Russia Ready To Be Guarantor for Serb Formation Rights

LD1809175395 Moscow INTERFAX in English 1625 GMT 18 Sep 95

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Sept 18 (Interfax) — Russia is ready under certain conditions to become a guarantor for granting the Bosnian Serb territorial formation rights equal to those of the Moslem-Croatian federation in Bosnia and Herzegovina, the Russian president's special envoy for settlement in the former Yugoslavia Aleksandr told Interfax today.

Zotov said that, however, "before guaranteeing, one must have something to guarantee."

"If agreement is achieved on the constitutional system of Bosnia and Herzegovina providing for equal rights and opportunities for all peoples in the region which may form the state, Moscow will certainly act as the guarantor," Zotov said.

Zotov said the guarantees might come from all of the U.N. security Council's members, including Russia.

With regard to the coming visit on Monday of Foreign Minister of the Serb Republic (a territorial formation of the Bosnian Serbs in Bosnia and Herzegovina - IF) Alexa Buha, Zotov said the Russian Foreign Ministry did not have a finalised schedule for the Serb foreign minister's stay in Moscow.

Zotov said "somebody from the Russian Foreign Ministry's leadership" would receive the Serb foreign minister. "Highly likely, this will take place on Tuesday," Zotov said.

Zotov said he might meet with the Serb foreign minister because he had requested such a meeting.

Deputy Calls for Permanent Duma Presence in Pale

LD1809131595 Moscow Russian Television Network in Russian 1000 GMT 18 Sep 95

[From the "Vesti" newscast]

[FBIS Translated Excerpt] A constant watch by representatives of the Russian State Duma has been established in Pale, the provisional capital of the Bosnian

Serbs. Sergey Glotov, leader of a Russian parliamentary delegation, has said he believes that a permanently operating center for deputies in the Serb Republic will make it possible to cool down the hotheads in NATO.

The Russian State Duma delegation spent two days in the Bosnian Serb Republic. The deputies met Momcilo Krajisnik, chairman of the Serb Republic's parliament; and Aleksa Buha, the Serb republic government's foreign minister. At these meetings the Serbs talked about the damage inflicted by the NATO bombings and spoke of the aid that they expect from Russia. The matter was not limited to discussions — the State Duma deputies were convinced through their own eyes that the bombs and missiles produced in the West are not just hitting military targets. [passage omitted]

Military Team on Fact-Finding Mission to Sarajevo

LD1809105895 Moscow ITAR-TASS in English 1041 GMT 18 Sep 95

[By Anatoliy Yurkin]

[FBIS Transcribed Text] MOSCOW September 18 (Itar-Tass) — Although there has been no official confirmation of reports that Russian peacekeepers may be called to protect Sarajevo, a delegation of Russian military arrived in ex-Yugoslavia Sunday [17 September] on a fact-finding mission in Sarajevo and Eastern Slavonia.

"To clarify the essence of developments in the region of peacekeeping activities in Sarajevo and Eastern Slavonia, airborne troops deputy commander for peacekeeping operations, Major-General Nikolay Staskov and a group of officers of the headquarters arrived in Belgrade on Sunday. The group will clarify the situation and check the (Russian) peacekeeping battalions. The general conclusions will be summed up in a special report to the General Headquarters of the Russian Armed Forces", airborne troops spokesman Igor Kashin told Tass Monday.

He refused to comment on press reports which said that US Secretary of Defence William Perry had proposed to replace UN peace-keepers in ex-Yugoslavia by NATO and Russian troops.

Russian Foreign Minister Andrey Kozyrev told Tass on Friday that he had not received any "official proposals" regarding the replacement.

There are two Russian peacekeeping battalions in ex-Yugoslavia numbering a total of 1,500 men. 1,000 are deployed in Klis in Eastern Slavonia and 500 in Sarajevo.

Reports about a possible deployment of Russian paratroopers around Sarajevo appeared after a Thursday meeting of US Assistant Secretary of State Richard Holbrooke and Serbian President Slobodan Milosevic. The peacekeepers' task was said to encircle the city and protect it from shelling.

Also on Thursday Perry told reporters about a possible deployment of Russian paratroopers around Sarajevo.

UN Envoy Lavrov Denies Quarreling With U.S. on Bosnia

LD1709203995

[FBIS Editorial Report] Moscow NTV in Russian at 1700 GMT on 17 September, in its "Itogi" weekly news review program, carries a five-minute report from Washington by Petr Orlov which features a recording of an interview Sergey Lavrov, Russian ambassador to the United Nations.

Lavrov says: "We are in no doubt that NATO exceeded the powers which it received from the Security Council. Unfortunately the Command of the UN Forces, who should have worked out together with NATO all the operational plans of action in Bosnia, was unable to restrain the NATO partners from going beyond the framework of the decisions of the Security Council; this is alarming not only from the point of view of the Bosnian crisis but has prospects of wider implications for the future."

Lavrov goes on to say: "I do not think that we have quarrelled with America." He adds: "I do not think the differences are insurmountable. I am not a champion of calls for slamming the door, although very many questions do arise, not only regarding Bosnia, but regarding how the partnership is to continue to be built.

"Indeed this whole episode, if we disregard the purely Bosnian angle, is important from the point of view of learning lessons for the future, in that a partnership presupposes the absence of surprises, and we reached agreement on that long ago," Lavrov says.

UN Envoy Outlines Policy for Upcoming Assembly Session

LD1909090695 Moscow ITAR-TASS in English 0812 GMT 19 Sep 95

[By Boris Sitnikov]

[FBIS Transcribed Text] United Nations, September 19 (ITAR- TASS) — Russia will continue to uphold the interests of the Russian-speaking population of Latvia and Estonia, to work for a further reduction of its payments to the U.N. budget and to promote th[illegible]. reform at the 50th General Assembly session, w[illegible] opens today, permanent representative of the Russian Federation at the U.N. Sergey Lavrov told Tass.

"The anniversary session of the General Assembly will discuss a number of issues dealing with conflicts in the Middle East, Afghanistan and other regions. The economic package will also be very important. The Agenda for Development — a supplement to the Agenda for Peace — will be completed. It will formulate principles of multilateral economic cooperation in the future," Lavrov said.

"So far as human rights are concerned, we are going to raise again the problem of the observance of human rights in Latvia and Estonia, using the latest information. The problem is not being resolved. A dialogue on it is going on, but the efforts exerted by the world community are still insufficient.

"The problem of the U.N. budget will also take much work. The reform of the Scale of Payments both to the regular budget and for peacekeeping purposes will be in the centre of it. We shall all find ourselves under the pressure of the U.S. unilateral decision to reduce its payment for peacekeeping operations from 31 to 25 per cent. Nearly all the countries, all the main payers, including Western countries and Russia, openly expressed disagreement with this step. We are positive that the problem of payments to the U.N. budget cannot be resolved with the help of unilateral actions. We shall work for the introduction of a new distribution pattern of payments, based on the consensus of all the member states.

"Naturally, we, as Russia's representatives, shall work for a further reduction of the amount of its payments, in line with our real paying capacity. Much progress has already been achieved in this sphere. In two years Russia will pay a little more than four per cent. Now its contribution to the U.N. regular budget stands at some six per cent. We believe, however, that a four per cent payment does not reflect our paying capacity either, and we shall insist on its further reduction.

"The summit meeting of the General Assembly, scheduled for October 22-24, will certainly be a feature event of the session," the Russian diplomat said.

Daily: Bosnia Events Illustrate Moscow's Impotence

MM1809123395 Moscow KRASNAYA ZVEZDA in Russian 16 Sep 95 p 2

[Commentary by Aleksandr Glottis under the "Theme of the Week" rubric: "Moscow Echo of NATO Bombings"]

[FBIS Translated Text] Paradoxical as it may seem, the costliest thing in politics is something which seems to be worth nothing — illusion and self-deception. This is because they are paid for with a country's prestige and sometimes with human lives. And it seemed that this week, as NATO's planes crossed the Bosnian skies, Moscow was paying for its illusions and mistakes.

After all, the main outcome of this dramatic week was the indisputable fact that neither appeals to reason nor Russia's harsh warnings have managed to end the Western states' military intervention in the Bosnian conflict. The bombing raids have merely been suspended. Furthermore, it turns out that the military operation itself is being conducted on the basis of a NATO-UN joint document that Russia and China were completely unaware of even though they are permanent members of the UN Security Council, whose mandate is being used as a cover by the organizers of the bombing raids. A fact that is not only glaring, but also humiliating.

And this despite the fact that the very development of events confirms that every point made by Russia's representatives is correct. They said, for example, that this mighty blow against the Serbs would mean that the United Nations and NATO are essentially supporting the Croats and Muslims. Indeed, right after the air and artillery attacks the Croatian and Muslim units launched their offensive. Once more the world is witnessing ethnic cleansing in which tens of thousands Serb refugees are being driven out of their own land.

However, it cannot be said that Moscow is isolated here. First the German chancellor visited our country and was followed by the Spanish prime minister and the British foreign secretary. Strobe Talbott, the highly influential deputy head of the U.S. foreign policy department, is holding talks in Moscow now. However, as has already been noted, the significant nuance of all these talks is that the visitors' aim is to persuade Russia rather than reach agreement with it. With a persistence worthy of better application they are trying to persuade us to reconcile ourselves to NATO's actions.

At this point I cannot agree with Andrey Kozyrev, who is trying to present a clear defeat as a routine diplomatic setback. So our partners do not agree with Russia, so what — these things happen. They never agree with Washington either. However, there are setbacks and setbacks. I well remember the confusion and irritation reigning in the U.S. capital two years ago when America's European allies and Russia rejected the U.S. plan for military intervention in Bosnia. But as we can see for ourselves now, Washington did not reconcile itself to that defeat. Subsequently it worked consistently to push through one tough decision after another and got its way. It is the United States which is now playing the leading role in both the military operation and the process of a diplomatic settlement. And it is thereby confirming its claim to the role of world leader.

Russia meanwhile has constantly made compromises which did not seem so terrible at the time they were adopted. As a result, however, so much negative potential accumulated that it destroyed everything our diplomats had built up. After all, we ourselves voted for the imposition of sanctions on Belgrade and agreed in principle that NATO would take part in the "protection" of the so-called safe areas. Now that NATO's hands have been untied Russia cannot halt the air strikes and can only rely on its legitimate rights in the UN Security Council. But the decisions have already been made. It is also obvious that a profound illusion played its part in our diplomats' actions. The illusion that there is a kind of "club of civilized states" to which Russia belongs (just as Moscow takes part "on equal terms" in the meetings of the G-7!). It was confidently believed that even if these "civilized" states were given excess powers they would not use them harmfully. And that in any event they would take our view into account.

Now we have learned from our own experience that such expectations are illusory. When people start talking about their own interests, not necessarily state interests furthermore (Clinton's campaign considerations are clearly visible behind the frenzy of U.S. activity), all notion of civilization fades way. The Tomahawk becomes the argument.

There is another point which must be made. It is about the conflicting signals often emanating from Moscow. Such as when it is hinted to the Western partners that harsh and just statements are supposedly designed exclusively for the domestic audience and that there will be no international fallout. Eventually people over there stopped taking Moscow's warning seriously.

It is absolutely clear today that Russia faces a problem perhaps more important than anything connected with the Bosnian crisis. The problem is that Moscow has lost its former coercive means of influencing the situation in the world but has not created new ones yet. After all, the Americans are backed up not just by bombers and cruise missiles. They have real money behind them. That is why in conflict situations even Russia's old friends and allies prefer to talk directly with Washington. It is no coincidence that U.S. representative Richard Holbrooke has achieved far more in Belgrade than his Russian counterparts.

It cannot be ruled out that NATO's attacks were aimed indirectly at putting Russia in its place. The place of the loser in the Cold War, the place of a country which cannot sort out its own budget without Western financial injections. After all, if we are being honest about it, we simply cannot compete seriously with the Western countries. Those deputies who are demanding the deployment of our fleet in the Adriatic would do well to remember how much money they allocated to the Armed Forces in the budget.

The public hysteria which has developed into distortion of the facts may perhaps increase the notoriety of certain politicians but will do nothing for the country's prestige. It is time to stop the now senseless claptrap about Russia's grandeur. Even great countries have their difficult periods. There is nothing shameful about that. The shameful thing is to put on airs and graces at a time like that and to expect the indulgence and altruism of other countries. This is when people who know how to assess the situation soberly and act according to their potential step into the limelight. So as not to lose face to those who believed in their unrealizable declarations or those who are trying to take advantage of Russia's (I hope) temporary weakness.

Serbs Seen Facing Losses, 'Complete Capitulation'

MM1809100595 Moscow IZVESTIYA in Russian 16 Sep 95 p 3

[Report by Boris Vinogradov: "Serbs Have Agreed to All Terms If Only for the Sake of a Respite"]

[FBIS Translated Text] A lull in the fighting has now set in around Sarajevo for the first time since the NATO bombing of the Bosnian Serbs started 15 days ago. Aircraft still continue to fly over Serbian positions, but bombs are no longer dropped.

Radovan Karadzic and Ratko Mladic seemed to accept the NATO and UN ultimatum when they stated their agreement to pulling back their artillery and heavy military equipment . The accord is reminiscent of a gentleman's agreement: No one has made commitments on oath or set deadlines. But one tough condition remains: Aircraft will open their bomb bays again as soon as NATO feels that the Serbs are delaying the withdrawal of their equipment. This has been stated by U.S. Defense Secretary William Perry.

If everything is as described in various news agency reports and the North Atlantic bloc leadership has indeed managed to find a common language with the Serbs or, more accurately, to make them more obliging, changes may be expected on the Bosnian front. Indeed, they have already started.

Today you can already talk about the emergence of a new situation in the Balkans, and, stemming from this, the sides in conflict plus the intermediaries in the settlement of the crisis will sit down at the negotiating table with a completely different set of arguments.

It is now expected that Russia will be asked to commit its peacekeeping battalion to the Sarajevo area, where, together with NATO forces, it will form a buffer zone between the Serbs and the Muslim and Croatian forces. Thus one no longer has to speak about any "special role" for Russia in liquidating the Bosnian crisis, while attempts to get tough at the negotiations and take "resolute measures" to counter NATO actions have proved unsuccessful. Moscow, judging by all accounts, has altered its tone and now prefers to refrain from dramatic actions.

Confirmation of this is the decision by Boris Yeltsin to reject the State Duma draft law whereby Russia is to pull out unilaterally from the economic sanctions regime against the Federal Republic of Yugoslavia and also take measures "to prevent the genocide of the Serbian people in Croatia."

Meanwhile Croatian and Muslim troops are continuing to push the Serbs out of the western part of Bosnia, seizing one city after another. According to UN figures, the Serbs have lost 6 percent of their territory in recent days. ITAR-TASS reports that columns of many thousands of Serbian refugees heading for Banja Luka, the biggest city on territory controlled by the Bosnian-Serb, have appeared on the roads of Bosnia.

In the opinion of the military, the Bosnian Serbs will suffer a crushing military defeat and be unlikely to recover if Banja Luka falls. They are now facing complete capitulation and the inability to defend the western part of their republic. News agencies also report that offensive operations by Muslim and Croatian forces are being accompanied by a fresh wave of "ethnic cleansings." The Serb civilian population are abandoning their homes in panic to avoid being surrounded.

The groups of Russian specialists in Belgrade are ready to start ferrying Serbian children out to Russia aboard aircraft of the Ministry for Emergency Situations, which will open an air link in the next few days.

Chernomyrdin, Bulgarian Premier View Balkan Conflict

LD1809201595 Moscow ITAR-TASS in English 1852 GMT 18 Sep 95

[By Gennadiy Yezhov]

[FBIS Transcribed Text] MOSCOW, September 18 (Itar-Tass) — Russia and Bulgaria share the viewpoint that the conflict in the Balkan region can be settled by peaceful means in the shortest period of time, Zhan Videnov, Chairman of the Council of Ministers of Bulgaria, said after the Russo-Bulgarian inter-government talks in Moscow on Monday.

In reply to a question by Itar-Tass, Zhan Videnov stressed that at the same time the latest events in the Balkan region connected with the NATO air strikes, were "threatening with the escalation of the conflict".

The situation in Bosnia-Herzegovina was discussed at today's talks with Russian Prime Minister Viktor Chernomyrdin both personally and at the enlarged meeting at the inter-government talks in a general context, Zhan Videnov pointed out.

"Russia and Bulgaria are interacting at this stage mainly on the coordination of their plans for the future of the after- conflict restoration and the development of this region. Such neighboring countries as Bulgaria, as well as such countries with a great economic potential and a political weight as Russia, can help to a great extent create the situation which will allow the Balkan region before the end of the conflict to have the real possibility to establish the European future without conflicts, as well as stability in the economic, political and social spheres," the head of the Bulgarian government stated.

"So far, the Balkan region is being treated as a corner of the world where problems and sufferings are being concentrated," he stressed.

During the talks, Zhan Videnov informed, both sides expressed their confidence that the settlement of the Bosnian conflict was possible only by means of peace talks. He also spoke for lifting economic sanctions against Serbia as soon as possible.

In addition to the main theme which was discussed today at the Russo-Bulgarian talks on the construction of the pipeline for the transportation of hydrocarbon fuel through the Bulgarian territory Alexandroupolis (Greece)-Burgas (Bulgaria), the talks on which will be continued in October with participation of Russia, Bulgaria and Greece, the two sides also discussed joint projects on the liberalisation of bilateral trade. This issue is particularly important for Russia taking into consideration the strategic position of Bulgaria which is situated at the cross-roads of many European trade routes.

Also discussed was the possibility of setting up Russian joint ventures in the field of logging and the agroindustrial complex, as well as transport communications, specifically joint projects in the sphere of cargo transportation of the river-sea type.

As for the project on the construction of the Alexandroupolis-Burgas pipeline, Zhan Videnov expressed confidence that after a tripartite meeting in Sofia in October this year and the signing of an appropriate agreement, first results of the implementation of this project will appear in the next few months.

Grachev on Israeli Military Ties, Bosnia, Chechnya

MM1809140195 Moscow KRASNAYA ZVEZDA
in Russian 16 Sep 95 p 1

[Report by Vadim Markushin: "Russian Defense Minister Warns Against Undue Optimism Over Chechnya"]

[FBIS Translated Text] A conversation took place Thursday evening [14 September] between Russian Defense Minister Pavel Grachev and Israeli Prime Minister Yitzhak Rabin, who was on a one-day working visit to Moscow. Army General Grachev met with journalists after the meeting.

Answering a question from your KRASNAYA ZVEZDA correspondent about the prospects for Russian-Israeli relations at the military level, the defense minister said that the two countries essentially have only a few intentions in this sphere. The process will depend to a large extent on the direction in which the political situation in the Near East develops.

As far as military technical cooperation with Israel is concerned, Army General Grachev remarked, a decision in principle on the part of the Russian Government is primarily needed for that. Following Rabin's present visit to Moscow and his meeting with Viktor Chernomyrdin such a decision could perfectly well be made.

"We won't in general be rushing matters," the army general said, "but I do intend to take some proposals to Israel with me. The visit, during which a memorandum on the basic areas of military cooperation between the two countries will be signed, is scheduled for 1-5 November."

The defense minister went on, at the request of journalists present, to give his assessment of the situation in the Balkans. The decision to carry out air strikes against the Serbs, which was made without consultations with the UN political leadership, is responsible for the uncontrolled development of the operations, he said. More than 3,500 air sorties were flown 30 August. Artillery is being fired day and night at a rate of 400 to 1,000 shells each 24 hours. The main strikes are being delivered against air defense command and control systems. This has deprived the Serbs of the means to carry out organized resistance.

According to Pavel Grachev, strikes are being carried out everywhere regardless of whether the targets pose a real threat or not. Purely civilian facilities — bridges, telecommunications, water and power supply systems, industrial enterprises, schools, kindergartens, polyclinics, and housing — are being destroyed. According to our figures, the defense minister observed, around 800 people have died and around 2,000 have been wounded during this period. The Serbian side regards these figures as an underestimate.

In general, put into military language, comprehensive fire for effect is being carried out, Grachev said. This happens when preparation for a ground operation is under way. So it is possible to forecast that ground troops will be used. If this does happen, it will constitute large-scale aggression against the Serbs. That must not be allowed. It is essential that hostilities cease immediately and that an international conference, as the Russian president proposes, be convened.

As far as the situation in Chechnya is concerned, the defense minister warned against excessively optimistic assessments. Weapons are being surrendered, but this is being done in the main by ordinary individuals rather than by the bandit formations. The fact that a process of negotiations is under way does not in itself indicate any radical improvement in the situation. Therefore, according to Grachev, the withdrawal of army units, let alone the internal troops, whose function is to keep order in Chechnya, should not be rushed

Iraqi Defector Reveals Secret Russian Arms Deal

LD1609185895 Moscow NTV in Russian
1500 GMT 16 Sep 95

[From the "Segodnya" newscast]

[FBIS Translated Text] [Correspondent Sergey Belousov, over video of Iraqi President Saddam Husayn, military hardware] There has been fresh confirmation of the rumors that Russia is planning to sell Iraq a large consignment of military equipment. President Saddam Husayn's son-in-law, General Husayn Kamil, who fled to Jordan in August, has admitted that secret negotiations took place between Moscow and Baghdad about supplying 4,000 Russian tanks to Iraq.

Official Moscow, like the Iraqi Embassy, categorically deny these assertions. Nevertheless, according to Radio Liberty, an Iraqi Industry Ministry official visited the Russian capital. The aim of his visit was to have talks about buying Ural trucks. True, the veil of secrecy around this apparently wholly innocent deal does give rise to some puzzlement. There may well be some reason for it, though — because the Uralmash works is well known for producing military as well as civilian output. And in particular, it is directly involved in tank manufacture.

However, the figure of the deserter General Kamil Husayn has been attracting attention recently in another context, too. The fact is that he belongs to the Hashemite dynasty, and is a potential claimant to the Iraqi throne. It is no accident that the monarchist topic has cropped up in connection with Iraq. It is wholly possible that in the not so distant future the country will lose its current ruler Saddam Husayn, who, it has emerged, is preparing the option of flight to Mauritania. The the fact that many of his relatives have recently, in one way or another, landed up abroad all at the same time, would speak in favour of this hypothesis.

Defense Ministry Official, Pastukhov on Abkhazia

LD1809200995 Moscow Russian Public Television First Channel Network in Russian 1700 GMT 18 Sep 95

[From the "Vremya" newscast]

[FBIS Translated Excerpt] [passage omitted] Yuriy Mamchur, head of the Russian Defense Ministry's information directorate, was authorized to make this statement today especially for the Vremya program.

Allegations that Russia and Georgia are preparing joint military operations to restore Georgia's territorial integrity do not correspond to reality and are totally groundless. References to some anonymous high-ranking representative of a military unit deployed in the Abkhazian town of Gudauta who alleged that Russian Army military units and sub-units had been put on heightened combat alert on Friday are also untenable.

It is possible that these statements are linked to the signing in Tbilisi of a number of documents on Georgian-Russian relations and, in particular, the treaty on the siting of Russian military bases on the territory of Georgia.

We have not had an official reaction of the Russian Foreign Ministry to the allegations about the possible participation of Russian troops in operations on the territory of Georgia.

Boris Pastukhov, deputy foreign minister, decided to commune with journalists only on the telephone and said literally what follows: In Georgia we signed documents on military bases. We did not sign any other documents.

Apart from this, Pastukhov said that if plans for the participation of Russian troops in various operations in Georgia really did exist, it would lead to a new war in the Caucasus.

Front Party: U.S. Actions Spurred Embassy Attack

LD1909120595 Moscow INTERFAX in English 1036 GMT 19 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 19 (Interfax) — Representatives of the Russian National Front Party understand the reasons that spurred "the people's avengers" to shell the US embassy in Moscow, says a statement of the radical organization circulated in Moscow Tuesday.

An unidentified person used a portable grenade-launcher to fire at the US embassy building on September 13. No victims were reported.

According to the Front's statement, the US has started "to exterminate the Slavonic peoples in the Balkans, which is one of the last bastions of traditionalism and national-religious views of Aryan peoples." In the document drafters' opinion, "it is the duty of every honest person to counteract the American aggression."

At the same time, "the party does not accept tactics of individual terror."

Political Issues

Prosecutor's Office To Examine U.S. Embassy Attack

LD1809172795 Moscow INTERFAX in English 1408 GMT 18 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 18 (INTERFAX) — The Moscow Prosecutor's Office took over the criminal case filed on the recent grenade attack on the U.S. Embassy in Moscow, a high-ranking law enforcer told INTERFAX Monday.

The officer said the case had been instituted under article 213, part 3 of Russia's penal code (terrorism).

The officer said the Federal Security Service (FSB) and the Moscow Main Interior Department are also taking part in the investigation.

Under one of the versions being investigated, the attack followed the NATO air strikes on the positions of Bosnian Serbs.

An unidentified attacker fired a grenade at the U.S. Embassy at 4:25 p.m. moscow time on September 13. The building suffered light damage. The terrorist, possibly together with an accomplice, managed to get away.

Yeltsin Submits CIS Rights Conventions for Ratification

MM1809093895 Moscow ROSSIYSKIYE VESTI in Russian 16 Sep 95 Saturday Edition p 1

[Unattributed report: "Conventions Sent for Ratification"]

[FBIS Translated Text] Boris Yeltsin has sent three conventions signed by CIS countries to the State Duma for ratification. Two of them are designed to ensure mutual protection for human rights. These are the Convention on Ensuring the Rights of Individuals Belonging to Ethnic Minorities (signed in October 1994) and the Convention on Human Rights and Basic Freedoms (May 1995). The third document — the Convention on the CIS Interparliamentary Assembly (May 1995) — defines the functions, rights, and duties of that organ.

Yeltsin, Federal Security Chief Meet in Sochi

LD1809173195 Moscow ITAR-TASS World Service in Russian 1615 GMT 18 Sep 95

[FBIS Translated Text] Moscow, 18 Sep (ITAR-TASS) — Russian President Boris Yeltsin held a working meeting with Mikhail Barsukov, the head of the Federal Security Service in Sochi today. The presidential press service has said that "M.I. Barsukov has told the president about a recent sitting of the collegium of the Federal Security Service, which discussed how to improve the service's performance. He also updated the president on the progress in setting up the antiterrorist center and about current work in Chechnya, including measures that are being taken by the Federal Security Service to return the situation there back to normal and create proper conditions for the work of the authorities. Barsukov familiarized the president with proposals to restructure the Federal Security Service. The sides also discussed cadre issues."

Yeltsin Meets With FSB Head on Antiterrorism Center

MK1909075895 Moscow SEGODNYA in Russian 19 Sep 95 p 1

[Unattributed report: "Boris Yeltsin Has Had a Meeting With Mikhail Barsukov"]

[FBIS Translated Text] Russian President Boris Yeltsin held a working meeting with Mikhail Barsukov, director of the Federal Security Service [FSB], in Sochi yesterday. Mr. Barsukov informed the president about the recent meeting of the FSB Collegium, where problems of improving the agency's activities were discussed. He also reported on the state of affairs with the setting up of an Antiterrorism Center and developments in Chechnya, in particular on measures being taken by FSB services to normalize the situation and to create conditions for the normal operation of the authorities there. In addition, Mr. Barsukov acquainted the president with proposals on reorganizing FSB structures.

Yeltsin Signs Edicts on Mikhaylov, CIS, Judges

MK1609124995 Moscow SEGODNYA in Russian 16 Sep 95 p 1

[Unattributed report: "Boris Yeltsin Signs a Number of Edicts"]

[FBIS Translated Text] Yesterday Boris Yeltsin appointed Vyacheslav Mikhaylov a member of the presidential council on personnel policy by his edict, the Russian president's press service reports. Mr. Yeltsin also issued an edict "On Approving the Strategic Line of the Russian Federation in Relations With CIS States." The document was signed for the purpose of "fostering integrationist processes in the Commonwealth countries and enhancing coordination of the activity of agencies of the Russian Federation executive authority in this area." The president decreed the formation of a government commission on CIS affairs. In addition, the head of state signed an edict "On Measures To Ensure Material

Guarantees of the Independence of Russian Federation Constitutional Court Judges."

Continued Reportage on Upcoming Duma Elections

Electoral Bloc Registration Reviewed

954F3447A Novosibirsk SOVETSKAYA SIBIR in Russian 9 Sep 95 p 4

[Article by A. Zharinov: "One Left, One Right—Separate!"]

[FBIS Translated Text] Sixteen congresses a week! Our national history has never known anything like this. Nevertheless, it has happened. Parties, sociopolitical and national-patriotic movements, having formed electoral blocs, are working energetically on moving their representatives towards deputy mandates.

Now the beginning of election campaign propaganda depends to a great extent on electoral coalitions' efficiency—how fast they will collect the required minimum of signatures—200,000—in their support. At the same time, no more than 7 percent of the total—that is, 14,000—may be collected in any single federation component.

By now the Central Election Commission has registered 11 electoral coalitions and four blocs. Among those who decided to go it alone are the sociopolitical movement Vpered, Rossiya [Forward, Russia!] (its federal list is headed by Boris Fedorov, Bela Denisenko, and Aleksandr Vladislavlev), Zhenshchiny Rossii [Women of Russia] (at the top of the list are Alevtina Fedulova and Yekaterina Lakhova), Konservativnaya Partiya [Conservative Party], Partiya Lyubiteley Piva [Beer Lovers Party], Khristiansko- Demokraticheskiy Soyuz [Christian-Democratic Union], Natsionalno-Respublikanskaya Partiya [National-Republican Party], Russkaya Pariya [Russian Party], KPRF [Kommunisticheskaya Partiya Rossiyskoy Federatsii—Communist Party of the Russian Federation], Partiya Storonnikov Snizheniya Nalogov [Party of Supporters of Lower Taxes], and Kommunisticheskiy Soyuz [Communists Union].

The patriotic movement Derzhava [Great Power] also registered its readiness to participate in the elections. Central newspapers reported a few days ago that a scandal seemingly was brewing in Derzhava. Eight recent members of the Derzhava social-patriotic movement leadership: V. Aksyuchits, V. Alksnis, V. Antonov, M. Astafyev, M. Nazarov, N. Narochnitskaya, V. Osipov, and A. Turik accused Aleksandr Rutskoy of "ideological betrayal" and said that "he has put the movement at the service of questionable businessmen with a criminal past."

On Saturday 2 September, the Kongress Russkikh Obshchin [Congress of Russian Communities] conference, tagged by journalists "a secret congress" (outside witnesses were kept out), named its contenders. Most likely this was done as a preventive step, to keep the tensions flaring up between the movement's leaders—Lebed, Skokov, and Rogozin—from becoming public. Each can still claim his own place under the sun: Behind Lebed is the military, behind Skokov is the VPK, and behind Rogozin—Russian communities abroad and a young politician's ambitions.

By the way, the initial, pre-election stage already has revealed quite a few political collisions and passions. Sometimes simply unexplainable and, in my opinion, not quite logical. All of a sudden Yuriy Boldyrev announced that he was withdrawing from YABloko (presumably this will not affect the bloc's name). The famous actor and film director Nikita Mikhalkov became a "defector," having left Derzhava and found shelter under the roof of Russia Is Our Home. The Agrarian Party of Russia, the Federation of Independent Unions, and some other parties and movements selected fellow travelers almost until the last moment.

One of the first electoral blocs to register was the center-left Ivan Rybkin bloc, founded by Rossiyskiye Regiony [Russia's Regions], Moye Otechestvo [My Fatherland], Soyuz Realistov [Realists Union] movement, Rossiyskiy Soyuz Molodezhi [Russian Union of Youth], and Narodnoye Dvizheniye—Rossiya [Russia— People's Movement].

Blocs that also received registration certificates were Sluzhim Rossii! [We Serve Russia!] (founders—Rossiyskoye Ekonomicheskiye Obshchestvo Ofitserov Zapasa [Russian Economic Association of Reservists] and Rossiya Vozrozhdennaya [Russia Revived] popular front); Nikolay Ryzhkov's Vlast—Narody [Power to the People], which united Sergey Baburin's Rossiyskiy Obshchenarodnyy Soyuz [Russian People's Union], Materi za Sotsialnuyu Spravedlivost [Mothers for Social Justice] movement, and Stanislav Terekhov's Soyuz Ofitserov [Officers' Union]; as well as the Kommunisty—Trudovaya Rossiya—za Sovetskiy Soyuz [Communists—Working Russia—For the Soviet Union] bloc.

Alas, the communists have not managed to come to an agreement. The Communist Party will go into elections independently (the only organization that joined this electoral coalition is Dukhovnoye Naslediye [Spiritual Heritage]). They did, however, reach an agreement on cooperation with the Agrarian Party and N. Ryzhkov's bloc. The federal list of KPRF candidates is headed by Gennadiy Zyuganov, Svetlana Goryacheva, and Kemerovo leader Aman Tuleyev.

After confusion and vacillations, the democrats finally formed their first democratic bloc. The Demokraticheskiy Vybor Rossii— Obyedinennyye Demokraty [Democratic Choice of Russia—United Democrats] coalition includes Rossiyskaya Partiya Sotsialnoy Demokratii [Russian Social Democratic Party] (A.N. Yakovlev), Krestyanskaya Partiya [Peasants Party] (Yu. Chernichenko), Komitet Natsionalnykh Organizatsii Rossii [Committee of Russia's Ethnic Organizations], and Demokraticheskiy Vybor Rossii [Democratic Choice of Russia] (Ye. Gaydar). At the top of the federal list of the bloc's candidates are Yegor Gaydar, Sergey Kovalev, and the actress Lidiya Fedoseyeva-Shukshina. How serious this bloc is, only time will tell. Although it is already clear that the democrats still are not yet ready for closer unity. Many other political organizations and parties calling themselves democratic remained outside the electoral bloc.

To one extent or another, the political surge in the national capital is beginning to power up the election campaign on the local level, copying capital city politics or sometimes pitching it against it on the periphery. This we will cover, however, in the next issue of our newspaper.

Emergence of Blocs, Alliances Eyed

MM1809121395 Moscow ROSSIYSKAYA GAZETA in Russian 15 Sep 95 Weekend Edition p 5

[Article by Aleksandr Batygin under "Election Marathon" rubric: "They Very Much Want To Be Deputies. Every Day the Central Electoral Commission Computers Swallow New Information on the 'Babies' of the Election Campaign"]

[FBIS Translated Text] Among these "babies" Nikolay Ryabov's department has registered the "'Common Cause' Nonparty Movement of Voters," "Our Future," "Interethnic Union," and Stanislav Govorukhin's bloc. Whose services are to be rejected, and with whom are we to be friends? Obviously, "friendship" is founded on common aims, interests, and political predilections. But how is the incompatible to be made compatible? It is to be supposed, for example, that the "Our Future" bloc includes as allies the "Association for the Development of Citizens' Private Initiative" and...the "Patriotic Movement for the Study of I.V. Stalin's Legacy." If you please: Although Comrade Stalin used to decide everything himself, I recall that the "leader and teacher" was closer to collective labor than private labor, was he not?!

The Central Electoral Commission has also registered an association with a motley composition, unpretentiously called the "Pre-Election Bloc." Who has joined its ranks? There is the Party for the Protection of Children (Peace, Good, and Happiness), the "Russian Women" party, the Orthodox "Faith, Hope, Love" party, the People's Christian Monarchic Party, and also the Party for the Union of Slav Peoples, the "Motherland" [zemlya-matushka] Party of Rural Working People, the Party for the Protection of Invalids, the Party of Victims of the Authorities and the Deprived, the Tourist and Sports Union, the Russian Trade Union of Television and Radio Broadcasting Employees, and, finally, the Society of Consumers of Motor Equipment of Russia. It is hard to see at once what they have in common. You get an as yet unclear picture of a Christian woman who loves children, walks in the countryside, and motor equipment and who, at the same time, has suffered at the hands of those in charge and in an accident....

Of course, none of the aforesaid organizations is capable of gaining a deputy's seat. So totally different teams are "combining" in a weird "cocktail" in the hope of together making their way into the Duma.

Somewhat more complex events are also taking place deep within the election campaign. The bloc of trade unions and employers has been called an "unnatural alliance." But it has still happened. The all-Russia public movement "Trade Unions of Russia to the Elections," created by the Federation of Independent Trade Unions, and the Russian United Industrial Party have struck a bargain and created a bloc. At first both Mikhail Shmakov, the federation's leader, and Vladimir Shcherbakov, general secretary of the Industrial Party, had inclined toward Ivan Rybkin's electoral bloc. After looking around and convincing themselves that the State Duma speaker's alliance, which had been gathered together "at random," had no prospects, they at once condemned it as "opposition imposed from above."

In Moscow political life within the confines of the Garden Ring is proceeding far more vigorously than in the provinces. The regional branches of the Federation of Independent Trade Unions of Russia and the Russian United Industrial Party did not at once grasp why the old banners had been furled and new ones hoisted. The trade union and Industrial Party leaders in the capital had to employ quite a lot of diplomatic resourcefulness to persuade the regionals and also the sectorals to create a joint bloc. Thus, Arkadiy Volskiy attested: He was asking that his name not be included on the party list (later, admittedly, he consented and joined the "top" three). Mikhail Shmakov went still further — he promised to concede his seat in the Duma to the next candidate from the trade unions on the list if the bloc that is being created surmounts the 5-percent barrier and makes its way into the building on Okhotnyy Ryad.

Admission to the Duma is a gamble greater than life. Even those who are inclined to be religious are prepared to put on secular jackets and set out for parliament in concerted columns. The lines in the Constitution about the separation of church and state are long forgotten. Two powerful organizations which intend to appeal — first in the elections and then from the Duma rostrum — to the voters' religious feelings have already defined their position. I mean the "Union of Muslims of Russia" and the "Christians of Russia" movement. When at first the press and individual politicians issued timid objections — How can religious associations participate in politics? - a tough explanation at once followed. It was said that both organizations should be considered sociopolitical, not religious, organizations. At the very first stage, however, the "Union of Muslims" succeeded in resolving an organizational question — Akhmet Khalitov, general secretary of the "Union of Muslims of Russia" and a former Zhirinovskiyite, who shocked many people at the "Union's" congress with his chauvinist and confrontational speech, was "pushed" into the background. Nevertheless, considering the significant percentage of Muslims in the country, the "Union" has a good chance of getting its representatives into parliament. This arouses definite concern in the Orthodox Church.

Readers will obviously be interested to learn who in the electoral blocs are the "top three" on their lists.

Agrarian Party of Russia: Mikhail Lapshin, Aleksandr Nazarchuk, Vasiliy Starodubtsev.

"For the Motherland" bloc: Vladimir Polevanov, Yevgeniy Podkolzin, Dmitriy Starodubtsev.

"Forward, Russia!" movement: Boris Fedorov, Bela Denisenko, Aleksandr Vladislavlev.

"Russia's Democratic Choice" party: Yegor Gaydar, Sergey Kovalev, Lidiya Fedoseyeva-Shukshina.

"Democratic Party: Free Trade Unions": Galina Starovoytova, Lev Ponomarev, Gleb Yakunin.

Communist Party of the Russian Federation: Gennadiy Zyuganov, Svetlana Goryacheva, Amangeldy Tuleyev,

Congress of Russian Communities: Yuriy Skokov, Aleksandr Lebed, Sergey Glazyev.

Liberal Democratic Party of Russia: Vladimir Zhirinovskiy, Aleksandr Vengerovskiy, Sergey Abeltsev.

"Russia Is Our Home": Viktor Chernomyrdin, Nikita Mikhalkov, Lev Rokhlin.

National Republican Party of the Russian Federation: Nikolay Lysenko, Nikolay Pavlov, Konstantin Ovchinnikov.

Republican Party of Russia — the Pamfilova-Gurov-Lysenko Association.

Party of Working People's Self-Management: Svyatoslav Fedorov, Aleksey Kazannik, Aleksandr Porokhovshchikov

"Yabloko": Grigoriy Yavlinskiy, Vladimir Lukin, Tatyana Yarygina.

As we see, the "first places" in the electoral blocs are occupied by well-known politicians, administrators, and popular artists (neither here, in Russia, nor in the West can an election campaign do without "personalities"). We could spend a very long time practicing forecasting who will win the elections 17 December this year, but let us leave this thankless task to the numerous analysts, experts, and sociologists. Something else is important to us journalists and, it is to be supposed, also to no less a degree to you, esteemed readers: to realize that a very great deal depends on our votes, objectivity, and knowledge. Whoever we elect will go into the State Duma and will "endow" us with laws or a legal free-for-all, with his concern or indifference, with state responsibility or overt selfishness. Decide for yourselves!

In recent years, as Central Electoral Commission data show, the activeness of voters in Russia has been declining steadily. In 1989, for example, 90 percent of Russians participated in the elections, in 1991 74 percent, in April 1993 64 percent (the referendum), and in December of the same year 53 percent (the elections to the Federal Assembly). Research by the Russian Academy of Sciences Institute of Sociology attests that 80 percent of our compatriots have not yet decided whether they will vote, 50 percent reckon that it is not worth voting, 41 percent can see no party in Russia today which expresses their interests, and 56 percent have no confidence at all in any politicians.

Very many figures today want to be deputies. Each one of those who are striving for the Duma will take his own path. This is, after all, their right. We voters also have a right — to make our choice. The correct choice.

Electoral Commission Registers Two Blocs

LD1509204595 Moscow INTERFAX in English
1803 GMT 15 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 15 (INTERFAX) — The Russian Central Elections Commission registered two election blocs and the federal lists of candidates for the State Duma from ten political organizations Friday.

The commission registered the "89" bloc (the number of constituent members of the Russian Federation), created on the basis of the Russia's Choice movement (co-chaired by State Duma deputy Pavel Medvedev) and the Association of Independent Professionals (headed by Pyotr Filippov).

The commission also registered the Social Democrats bloc comprising the Social Democratic Union (Vasiliy Lipitsky), Russian Democratic Reforms Movement (Gavriil Popov) and the union of young Social Democrats.

The commission registered the federal lists and lists of candidates running for the Duma in single-mandate constituencies of the following blocs and associations:

— the Congress of Russian Communities (226 candidacies on the federal list, 140—in single-mandate constituencies) led by Yuriy Skokov, Aleksandr Lebed and Sergey Glazyev;

— the For the Motherland bloc (103 and 154 candidacies respectively) led by Vladimir Polevanov, General Yevgeniy Podkolzin and Dmitriy Starodubtsev.

The Central Elections Commission also registered the lists of the Russia's Independent Scientists League (124 and 101 candidacies), the Transport Workers' Movement (85 and 42 candidacies), the Education Is the Future of Russia Movement (94 and 61 candidacies), the Party of Automobile Owners (82 and 30 candidacies), the environmentalist Kedr Party (225 and 76 candidacies), the 89 bloc (68 and 15 candidacies), the Russia's Public Utilities Workers' Union (158 and 16 candidacies) and the Stable Russia Movement (76 and 52 candidacies).

The commission's head Nikolay Ryabov said that such a large number of blocs and associations that want to take part in the parliamentary elections "discredits democracy in Russia." "The Central Elections Commission strongly doubts that there are so many movements able to carry on political struggle in Russia," he said.

According to Ryabov, under the present regulations, the commission has no right to deny registration to such movements, however deputies will have to introduce certain amendments by the time of the next parliamentary elections.

Ryabov denied that registration of election blocs ends on September 17, as was reported by the Public Russian Television's Vremya news program. The commission will register blocs and accept voters' signatures gathered in their support, as is required under the law, until the end of October 22.

Rybkin Bloc Formidable Despite Desertions

MK1909073395 Moscow KOMMERSANT-DAILY in Russian 15 Sep 95 p 3

[Report by Natalya Arkhangelskaya: "New Russian Patriotism: My Bank Is My Fatherland"]

[FBIS Translated Text] Cutting short his vacation in Sochi, State Duma Speaker Ivan Rybkin returned to Moscow yesterday in order to straighten out yet another emergency that has occurred in his electoral bloc: In his absence, one of the bloc's founders — the "My Fatherland" movement — walked out. After holding one meeting after another of the bloc's political council, coordinating council, and conference, its leadership has compiled new lists. They are soon to be submitted to the Central Electoral Commission for approval. The leaders of Ivan Rybkin's bloc believe this version will be final.

"Fatherland's" walkout from the group of bloc founders necessitated serious changes in the list, particularly in its central section, with which the public was acquainted just a week ago. Gone from it are General Boris Gromov, Academician Stanislav Shatalin, and singer Iosif Kobzon, who will continue contesting Duma seats under different banners. It should be stressed that within the short period of the bloc's nominal existence this is already the second scandal: Before "Fatherland," Rybkin was deserted by the Federation of Independent Trade Unions and the Industrial Party. But the Rybkinites are not particularly concerned over these losses, thinking philosophically that the exaggerated ambitions of some of the bloc members would have caused its explosion sooner or later. Only time will tell how warranted such judgments are and whether the long-suffering center-left bloc will be viable at all. Just as it will tell who will ultimately benefit from the splits — Rybkin or his opponents.

It should be recalled that in giving their reasons for their decision to leave the Rybkin bloc, the "Fatherland" leaders cited the speaker's unwillingness to be in opposition to the executive authority, and also his inert behavior during a brawl at the State Duma last Saturday [9 September]. The first argument is not new: It was invoked by trade union boss Shmakov and Industrial Party leader Shcherbakov when they were leaving Ivan Petrovich [Rybkin]. It is not clear why "Fatherland" did not join them at that time. The second argument appears to be completely far-fetched: Rybkin, indeed, could not immediately get his bearings during the brawl, but he did correct himself, being the first to request that the general prosecutor's office bring legal action.

At any rate, such a charge is clearly not enough to break up an electoral bloc. It is clear even to a child that the crux of the matter is elsewhere. The actual reasons are trite. On one hand, these are places on the list that cannot accommodate everybody. It is well known that "Fatherland" leader Viktor Mishin, former first secretary of the Komsomol Central Committee and vice president of the "Reforma" fund, handed Rybkin a list of contenders, including several dozen former Komsomol bosses. On the other hand, all leaders of the "Reforma" fund, for their part, laid claim to slots in the central section of the list, from Academician Stanislav Shatalin to the little known Mr. Assekritov, the fund's vice president and to the absolutely unknown Mr. Shakkum, who is responsible for the fund's finances. It is precisely the fund's financial activity that became the crossroads at which Speaker Rybkin and "My Fatherland" parted company. It is well known that the "Reforma" fund has a bank of the same name. Naturally, when he reached agreement on cooperation with the fund, Rybkin meant the latter's financial contribution to the election campaign. It turned out, however, that the fund had a different view: It planned not so much to help the bloc financially, but, rather, expected the speaker's connections to shore up its bank, which has the status of an authorized bank and which, by some accounts, has been in a fairly woeful state recently. When this difference of views between the speaker and his supporters came to the surface (this happened last weekend), Rybkin said everything he thinks about the matter, adding a couple of strong expressions that, according to eyewitnesses, sounded quite fitting. This having been done, he left for Sochi.

Then the split occurred, and observers embarked on commentaries. Undoubtedly, the departure of yet more supporters from Rybkin does not enhance the bloc's center-left image. Moreover, it threatens to shatter it completely unless the speaker emerges from his lethargy and starts acting as behooves a politician on the eve of elections. As to why he has not yet done so, there is a number of theories. It is said that a plush post has been promised to him in the executive branch, a post he has been waiting for. Of course, he has already earned this post and can get it as soon as he likes. But it is hard to believe that a politician of such rank, who has not yet turned 50, would be ready voluntarily to put up with a cozy seat next to a warm wall. There is no need to prove that Rybkin is a fairly adroit and maneuvering person — it is thanks to his efforts that the current Duma has stayed more or less in working order for a year and a half now. There is also the theory of the so-called "delayed start," however, which has its logic. It is said that the speaker has strong nerves, and that he is simply pausing. Specialists think that a candidate who gets off to a flying start in the electoral race will find it very difficult to run at the same speed for the remaining three months: He may lose his breath. For these reasons Rybkin has so far preferred to keep a low profile.

What resources does Rybkin have at his disposal to realize this plan? Presently his bloc includes the "Russian Regions" movement under Artur Chilingarov; the "Rossiya" People's Movement under Igor Shchichanin; the "Accord" movement under Vyacheslav Pakharev; the Union of Realists under Yuriy Petrov; and the Russian Youth League [RSM] under Vyacheslav Lashchevskiy. Only the two last organizations wield more or less serious clout. The RSM (formerly the VLKSM [V.I. Lenin All-Union Communist Youth League]) largely managed to keep its regional branches and, what is also important, has considerable property both in Moscow and in the provinces. Suffice it to say that it owns a huge set of former VLKSM Central Committee buildings in front of the Polytechnic Museum. Curiously, CPRF leader Gennadiy Zyuganov has spent much effort in an attempt to take over the RSM, but Mr. Lashchevskiy has upheld his organization's independence. The Union of Realists, headed by "Yeltsin's man," his former chief of staff, also has certain financial capabilities. In confirmation of that the following example can be cited. On 1 September, by State Property Committee decree, a set of buildings on Myasnitskaya Street with an overall size of over 30,000 square meters was turned over to the State Investment Corporation under Yuriy Petrov under a 10-year lease (there is no need to explain what space in downtown Moscow means). Characteristically, this move was actively opposed by officials of such rank as Chubays and Soskovets. The decision was made, however, which proves that neither Mr. Petrov, nor Mr. Rybkin, his political ally, will be left without support by the top authorities in the hour of need. And this support is worth a fortune. Plus the political weight of the speaker himself, who ex officio holds a place among the first five on the political Olympus. This is what the Rybkin electoral bloc in its present lineup is counting on.

After yesterday's deliberations the first five of the center-left leadership looks as follows: Rybkin, Petrov, Chilingarov, Vyacheslav Nikonov, and Aleksandra Ochirova (the last two are State Duma deputies). Wishing to avoid a repetition of past mistakes, the bloc leaders decided to get by without prominent generals and well-known artists on their list whatsoever. The only unexpected figure in the first dozen is Pavel Borodin, manager of the presidential staff's affairs, who has also been tackling all the State Duma's economic problems in the bargain. Mr. Borodin announced that he shares the center-leftists' ideological premises, after which he was assigned a slot to bring up the rear.

As for the dissidents from "Fatherland," the Rybkinites are not rushing to write them off as enemies: They are expected to coordinate actions in fielding their candidates in single-seat districts. But the fact that the breakaway friends are still rivals, if not enemies, will be illustrated by a spectacular race in Ingushetia, where Iosif Kobzon, who has firmly made up his mind to win a seat, will be opposed by Ms. Ochirova, a native, fielded by the Rybkinites.

New Make-Up of Rybkin Bloc Detailed

LD1809152795 Moscow ITAR-TASS in English
1510 GMT 18 Sep 95

[By Lyudmila Yermakova]

[FBIS Transcribed Text] MOSCOW, September 18 (ITAR-TASS) — Russia's Central Election Commission registered on Monday a new make-up of State Duma Chairman Ivan Rybkin's bloc following the secession of the "My Homeland" association from it two weeks ago.

Now Rybkin's bloc includes Regions of Russia, Popular Movement — Russia (Union), the Russian Youth Union, Accord and the Union of Realists.

The Central Election Commission also registered the bloc's federal list of candidates of 270 people and its list for one-seat constituencies which includes 164 people.

The list is led by Rybkin, Yuriy Petrov, head of the Union of Realists, and Artur Chelingarov, State Duma vice-speaker.

'Economic Freedom' Registers Candidates

LD1809173495 Moscow INTERFAX in English
1608 GMT 18 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 18 (INTERFAX) — The Russian Central Electoral Commission has registered the lists of candidates from the electoral bloc of the Party for Economic Freedom (PEF) for the State Duma elections, a PEF spokesman told INTERFAX on Monday.

The PEF leader Konstantin Borovoy told INTERFAX that he tops the federal list of 72 candidates, together with the PEF co-chairman Leonid Nekrasov and the chief of the Zhukovskiy Air Force Academy, Pilot Cosmonaut Vladimir Kovalenok.

There are 46 people on the list of candidates for the one-mandate districts.

According to Borovoy, his party will take part in the parliamentary elections on December 17 as an independent bloc and expects to receive at least 7% of seats in the lower house of parliament.

Yavlinskiy on Strategy, Ties With Gaydar

MK1909054695 Moscow SEGODNYA in Russian
15 Sep 95 p 2

[Report by Viktor Khamrayev: "Yavlinskiy Has Agreed With Gaydar 'on Majority Constituencies.' The 'Middle-Class' Party Will Not Redistribute Property"]

[FBIS Translated Text] The two sources — raw materials and foreign credits — that "keep the Russian economy going" have "run out" since the beginning of the 1990's, believes Grigoriy Yavlinskiy, who yesterday met with Moscow journalists on the occasion of the launching of Yabloko's official election campaign.

The dividends derived from the difference between domestic and world prices for oil, gas, and so forth are, in Yavlinskiy's view, contracting, because with the decline in output domestic prices are gradually moving toward world prices. Prospects for foreign financial aid (which remain quite substantial) are worsening with each year. According to the Yabloko leader, in 1992 foreign credits constituted one-third of our GDP; in 1993, they made up 15 percent, and last year 9 percent. Speculative operations on the financial market also lost their former profitability following the "strengthening of the rate of the ruble," accompanied by a growth in prices.

In this situation the election bloc, according to its leader, sees no other way to avoid the prospect of a "very serious crisis" than "sharply accelerating structural reform of the economy," to which end it will need to be demonopolized. At the same time, Yavlinskiy believes, it is also essential to avert "monopolism in political life," because "monopolistic political power... is ruining the state system."

Grigoriy Yavlinskiy regards his Yabloko as the mouthpiece for the interests of "engineers, teachers, doctors, military people, skilled workers, and so forth," i.e. the middle class who, according to the democratic opposition leader, "have got nothing from reform." Yavlinskiy hastened to assure media workers that Yabloko will not "seize" administratively anything from those "who received more" in the course of reform. The movement will use only "economic levers" to redistribute the fruits of reform.

So far Yavlinskiy is not venturing to predict success for his bloc in the elections. The main thing that Yabloko is counting on this December is raising as many votes as it did in the 1993 elections (approximately 8 percent), although the bloc leader does not rule out that the Yabloko electorate will be supplemented by those who voted for PRES [Party of Russian Unity and Accord] in the previous elections.

Yavlinskiy also hopes that in the future the faction will be enlarged by single-seat deputies, because in the past two years Yabloko, according to its head, has managed to create active chapters in 58 regions. The regional organizations, journalists were told, are in effect acting independently, and the central apparat is stepping in to render assistance in implementing regional programs. In this connection Yavlinskiy offered the structure of his own organization as a model for the federal structure of [word indistinct].

Grigoriy Yavlinskiy considers all blocs to be his rivals in the elections, because "in elections there can only be rivals." At the same time the Yabloko leader told newsmen that tactics "in nearly all majority constituencies" have been coordinated with the Russia's Democratic Choice bloc.

Moscow, St. Petersburg Favor Yabloko

LD1609125895 Moscow INTERFAX in English 1209 GMT 16 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 16 (INTERFAX) — The Yabloko movement led by Grigoriy Yavlinskiy enjoys the biggest popularity among Moscow and St. Petersburg residents, according to the results of a poll conducted among the two cities' residents by the Public Opinion foundation in August.

The poll showed that 11 percent of respondents are ready to vote for the Yabloko movement in the coming parliamentary elections.

According to the results of the poll, 30 percent of voters want to back democratic parties and movements at the elections to the State Duma. In particular, 7 percent of respondents said they will vote for the Party of Workers' Self-Rule led by Svyatoslav Fedorov. Another 7 percent of respondents will vote for the Forward Russia movement led by Boris Fedorov and 5 percent for the Russia's Democratic Choice led by Yegor Gaydar.

The same poll revealed that 16 percent of voters are going to vote for nationalist and Communist electoral blocs. In particular, 6 percent of respondents said they will back the Communist Party of Russia led by Gennadiy Zyuganov. The Communist Party of Russia is followed by the Liberal Democratic Party of Russia led by Vladimir Zhirinovskiy (5 percent) and the Congress of Russian Communities led by Yuriy Skokov (3 percent). The Agrarian Party of Russia led by Mikhail Lapshin is the least popular bloc among Moscow and St.Petersburg residents.

According to the results of the poll, 10 percent of respondents are going to vote for the major centrist movements. In particular, 5 percent of voters will support the Our Home Is Russia electoral bloc led by Prime Minister Viktor Chernomyrdin. Another 5 percent of voters will back the Women of Russia movement.

This poll involved 3,985 respondents from Moscow and St. Petersburg.

Social Democrats To Run Independently

MK1909055095 Moscow SEGODNYA in Russian 15 Sep 95 p 2

[Report by Gleb Cherkasov: "The Social Democrats Will Contest the Elections Independently. The List Is Topped by Gavriil Popov, Vasiliy Lipitskiy, and Oleg Bogomolov"]

[FBIS Translated Text] The list of election associations and blocs that will contest seats in the State Duma was supplemented yesterday by the "Social Democrats" bloc cofounded by the Russian Movement for Democratic Reforms, the Social Democratic Union, and the "Young Social Democrats" movement. Furthermore, according to "Social Democrats" leader Vasiliy Lipitskiy, the bloc's election struggles will be assisted by the Russian Social Democratic Party and a number of women's and children's organizations. The bloc's list will be headed by Gavriil Popov, Vasiliy Lipitskiy, and Oleg Bogomolov; moreover, the central part of the list also includes former USSR Supreme Soviet Deputies Yevdokiya Gayer and Aleksandr Obolenskiy. The "Social Democrats" have used all possibilities provided by the election law, filling the list to the maximum: 270 candidates. Another 100 supporters of the social democratic idea will contest single-seat constituencies.

Lipitskiy believes that the very fact of an independent social democratic list appearing in Russian elections is symbolic. The bloc's leader expects that in th sixth Duma the "Social Democrats" will manage to find a common language with associations close to them in spirit, including the party of Svyatoslav Fedorov. For his part, Gavriil Popov noted that after the de facto failure of Ivan Rybkin's "left-of-center" project, a special responsibility now lies with the "Social Democrats."

Communists Collect 200,000 Signatures

LD1909083395 Moscow ITAR-TASS in English 0740 GMT 19 Sep 95

[By Lyudmila Alexandrova]

[FBIS Transcribed Text] MOSCOW, September 19 (ITAR-TASS) — The "Communist Party of the Russian Federation" (CPRF) is the first election bloc in Russia which has collected 200,000 signatures in their support mandatory for registering its candidates at the Central Electoral Commission.

The press service of the CPRF told ITAR-TASS today that on Monday, lists containing voters' signatures were handed over to the Central Electoral Commission, but had to be taken away for technical reasons since no special place had been assigned yet to keep these lists safe. The registration of CPRF candidates was postponed for a while, but the fact that these lists had been submitted was registered. The communists have collected 220,000 signatures in case some signatures are found invalid. The communists have more signatures in their support "up the sleeve" to use them of necessary.

Communist Pre-Election Platform Noted

954F3447B Novosibirsk SOVETSKAYA SIBIR in Russian 9 Sep 95 p 4

[Article by O. Antipin, secretary of the Dzerzhinskiy Rayon Committee of the Communist Party of the Russian Federation: "On the Platform and Tactics"]

[FBIS Translated Text] The KPRF [Kommunisticheskaya Partiya Rossiyskoy Federatsii — Communist Party of the Russian Federation] election platform and tactics of concrete actions were discussed at the Dzerzhinskiy Rayon communists' meeting, which was held on 6 September at the Imeni Chkalova House of Culture.

....The KPRF rayon committee has long been receiving complaints from people regarding exorbitant rent increases, the unrealistic timetable for switching to paying the full cost of housing, and demands to "freeze" rents. The meeting also discussed these issues.

The Communists believe that these parliamentary and presidential elections represent perhaps the last peaceful opportunity to change the current course. As usual, the meeting was open to the public.

Agrarian Leader: Peasants Oppose Land Sale

MM1809145795 Moscow SELSKAYA ZHIZN in Russian 16 Sep 95 p 1

[Report from the SELSKAYA ZHIZN/ITAR-TASS column: "Discussing Land at Rural Assemblies"]

[FBIS Translated Text] The Agrarian Party of Russia [APR] Board and the coordinating council for collective action by agro-industrial complex working people have decided to hold the Second All-Russia Rural Assembly 27 October. The assembly will examine a single issue — land. This was announced by APR Chairman Mikhail Lapshin at a 14 September news conference.

This event has been prompted by the intention of Premier Viktor Chernomyrdin, chairman of the "Russia Is Our Home" electoral bloc, to hold a referendum on the question of private land ownership. This is disturbing and alarming the peasants. And the aim of the All-Russia Assembly, which will be preceded by meetings of peasants at local level, is straightforward — to ensure that the president and the premier heed the weighty voice of the peasantry: "The land should belong to those who work it." The date of the assembly was not chosen at random. It was on that day two years ago that the presidential edict "On the Regulation of Land Relations and the Development of Agrarian Reform in Russia" — which effectively opened the floodgates to "black repartition" [reference to total repartition of land among eligible peasants effected periodically in Russian history] — came into force. But the peasantry opposes the sale of agricultural land. And this process needs to be brought to a halt.

The APR leader made a negative assessment of the government's draft federal budget for 1996, in which, in his opinion, expenditure on the agrarian complex will fall by half compared with the current year. Answering a question about the fate of Ivan Rybkin's electoral bloc, the Agrarian leader noted that everything that is created artificially, on sand, is unstable and collapses sooner or later. The Agrarians' electoral bloc is still open to all those who are really concerned about the state of affairs in the Russian countryside, the APR chairman stressed.

Moscow Mayor Luzhkov Declines To Run for President

MK1909055395 Moscow MOSKOVSKAYA PRAVDA in Russian 15 Sep 95 p 1

[Report by N. Batalova: "The Mayor Is Content To Be a Mayor"]

[FBIS Translated Text] Of course, I do not quote verbatim, but this was the gist of the answer by Yu. Luzhkov to a question asked at his meeting with journalists at the RIA-NOVOSTI news agency concerning whether he intends to run for president of Russia. He added, however, that he thinks mayoral elections should be held on the same day as the presidential elections.

Why would the incumbent mayor not like to leave his present position? Although it is believed that the mayor has, to put it mildly, substantial powers, he is also the first to answer for everything, especially considering that he has to work not in a place in the middle of nowhere, but in the capital of Russia.

Luzhkov explained that first of all he has developed a certain philosophy with respect to the post, the duties and tasks that a mayor should perform, and that he sees what should and what can be done in the city to address economic, social, and other problems. Many of them are already being addressed. There is a strong team of people sharing his views that makes up the Moscow [city] government. In its activity the government adheres to the principle of depoliticization. But this does not mean that the mayor is not interested in the platforms of parties and movements, especially in the run-up to elections for the State Duma. Here they gravitate toward the center, toward those who see a way out of the crisis primarily through stability. This is not necessarily "Russia Is Our Home," the mayor said, although he did support this movement's program when its Moscow branch was created.

Media Issues

Journalist Congress Views Politicization of Press

MM1809112295 Moscow ROSSIYSKIYE VESTI Saturday Edition in Russian 16 Sep 95 p 2

[Report by Nikita Vaynonen: "To Parliament with Professional Interests"]

[FBIS Translated Text] On the eve of the official opening of the election campaign Russian journalists held their fifth extraordinary congress. This entirely natural and, in principle, necessary action forces us, however, to comment on a number of related aspects.

"Let's bring the elections under the control of the mass media," was the call to those present from Mikhail Poltoranin, chairman of the Duma Committee for Information Policy and Communications. Sounds nice. But the aim of "control," it turns out, is by no means to prevent any violations of democracy. The press, in Poltoranin's view, should not "allow passage" into parliament of representatives of the mafia and financial capital with which the "executive has established a close relationship." As far as the mafia is concerned, it of course...[as received]. But why put it on the same footing as financial capital and the executive? Such objectivity and impartiality.... The congress not only failed to notice passages such as this, but even supported the Duma committee's actions. Its chiefs, like the Union of Journalists leadership, are convinced that the executive is deliberately shackling the mass media's financial independence, and that the fine promises it is making are just a cover.

The politicization of the press is an objective and inevitable process. The real problem is not how to avoid it but how to place it within a legal framework. To this end we need representatives of the press in parliament so as to ensure that the relevant legislation is intelligent and effective. Unfortunately, our Duma committee has failed to achieve either of these things, constantly sliding into the same old politicization. Should journalists take part in elections to the new Duma, not as informers but as candidates? The congress resolutely supported such participation. But the impression that it is "lobbying for the interest of the mass media" seems very dubious. Nobody will vote for journalists who are going to parliament to defend their professional interests.

Yeltsin Office Seeks To Control Politicians' TV Coverage

LD1809134995 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1230 GMT 18 Sep 95

[FBIS Translated Text] For a month now, the leaders of the information sections of Russian Public Television and the All-Russian TV and Radio Broadcasting Company have been guided by a secret directive, recommending that information should not be given about the activities of 20 politicians from a list that has been handed to them, the Economic Freedom Party's press service told the Ekho Moskvy radio station.

Aleksandr Lebed occupies first place in this list; Konstantin Borovoy is third, and Boris Fedorov is seventh.

A press service employee said that the surnames of Vladimir Zhirinovskiy and Gennadiy Zyuganov are not on this list. The Economic Freedom Party's press service said this recommendation was initiated by the Russian president's administration and by Aleksandr Korzhakov.

According to the press service's information, the recommendation was also brought to the attention of the leaders of the analytical and information sections of several independent television companies, and is at present being partially implemented.

"One of the aims of this operation is the restoration of the network of secret informants in television companies," the Economic Freedom Party's press service believes.

Military & Nuclear Issues

Commander Nikolayev Discusses Grachev, Border Troops

LD1809203395

[FBIS Editorial Report] Moscow Russian Television Network in Russian at 1800 GMT on 18 September in its "Moment of Truth" program features a 45-minute interview with Andrey Nikolayev, commander in chief of the Russian border troops. The interview is conducted by an unidentified correspondent in Nikolayev's office on 13 September.

The interviewer begins by asking many questions centering on Nikolayev's relations with Defense Minister Pavel Grachev and the Defense Ministry as a whole. One question, for example, asks: "But don't you have a sense that the generals have simply bound Yeltsin today with the blood of Chechnya?" Nikolayev politely evades each question. When the interviewer, however, recalls that Nikolayev voted for Grachev's resignation at a meeting of the Russian Presidential Security Council following the federal military intervention in Chechnya, Nikolayev says:

"I believe my action with regard to Pavel Sergeyevich was the most honest. I did not go behind his back. I did not speak badly of him, for example. I followed the dictates of my conscience."

Nikolayev similarly avoids long, emotional questions on the role of Russian border guards in Tajikistan and Azerbaijan and transfers of territory to China in the Far East. He speaks most freely when he describes, without providing specific detail, aspects of the illegal traffic in asylum-seekers across the border with China and passport controls at Moscow's international airport.

Asked about pay for border guards, Nikolayev says the average monthly salary of a Russian officer on the Tajik-Afghan border is 2.5 million rubles, while the family of a serviceman killed on the same border could expect compensation of $2,000 if he is Russian or $500 dollars if he is Tajik.

Toward the end of the interview, when the conversation turns to military history, the interviewer says: "Varennikov thinks the Americans make poor soldiers. For example, you have the Ardennes in 1944 or the war in Vietnam. What do you think?"

Nikolayev replies: "Well, I don't know if Valentin Ivanovich Varennikov [former Soviet commander in chief of ground forces] has ever had to fight Americans. Somehow I don't recall any run-ins with Americans from his career. Our man is certainly able to endure more in any combat situation. But war today is technological. The war of technologies."

The program's final credits included a note: "Dear colleagues, the use of fragments of the 'Moment of Truth' program beyond the borders of the CIS is forbidden."

Strategic Missile Forces Abiding by START Reductions

MM190[illegible]103795 Moscow KRASNAYA ZVEZDA in Russian 19 Sep 95 p 2

[Report by Aleksandr Dolinin from the "News from the Regions" column: "START I: Russia Is Meeting Its Commitments"]

[FBIS Translated Text] Moscow — The first anniversary of the start of the practical implementation of the provisions of the Russian-American Strategic Offensive Arms Treaty will be celebrated in the next few days. During this time around 70 RS-16, RS-18, and RS-20 ICBM's have been axed in units of the Strategic Missile Forces. Colonel General Nikolay Solovtsov, first deputy commander in chief of Russia's Strategic Missile Forces, has observed that the decommissioning and subsequent scrapping of launch silos, the number of which as of today has been reduced by 500, is on schedule. The conclusions of 60 American inspections, which completely confirmed that there have been no breaches of treaty commitments by the Russian side, corroborate this.

North Pole SLBM Launch Required 'Titanic Efforts'

MM1909075395 Moscow Russian Public Television First Channel Network in Russian 1400 GMT 12 Sep 95

[From the "Vremya" newscast: Video report from North Pole SLBM launch by Vladimir Borovyak, identified by caption; figures in brackets denote broadcast time in GMT in hours, minutes, and seconds; footage attributed to VoyenTV]

[FBIS Translated Text] [141012] [Announcer to camera] Russian submariners have completed a unique voyage. The crew of a Typhoon nuclear submarine has set two records at once at the North Pole.

[141020] [Borovyak over video of initial stage of SLBM launch, close-ups of crew and submarine interior] Captain First Rank Aleksandr Bogachev and his subordinates have established an absolute record of submarine

navigation, successfully surfacing the submarine in difficult ice conditions literally one km from the geographical North Pole. Furthermore, a launch of a ballistic missile in these lattitudes has been carried out for the first time in the past eight years.

[Correspondent to camera and over exterior shots of submarine] For a long time now heavy nuclear submarine cruiser units have been subject to routine neglect; repair facilities are aging, services which are to ensure the combat readiness of the vessels are withering away.

It was no accident that it took the Navy titanic efforts to prepare the Typhoon for this voyage, even though an alert duty for a nuclear submarine in any part of the world ocean should be a routine matter.

Strike Hinders Recommissioning Nuclear-Powered Carrier

LD1509193895 Moscow INTERFAX in English 1803 GMT 15 Sep 95

[FBIS Transcribed Text] MURMANSK, Sept 15 (INTERFAX) — A renewed strike by the workforce of Murmansk-based Sevmorput shipyards has thwarted the recommissioning of the nuclear-powered carrier Admiral Kuznetsov, scheduled for Friday [15 September].

INTERFAX's correspondent in Murmansk reports that 1,500 shipyard workers who went on strike over back wages early this month have renewed their action after the North Fleet command and defense ministry failed to deliver.

The workers of Sevmorput, which specializes in repairs of warships and scrapping nuclear-powered submarines, have not received any pay over the summer with the North Fleet alone owing the shipyards more than 50 billion rubles.

Admiral Kuznetsov, the Fleet's flagship, was moored five years ago and had been under repairs at Nikolayev shipyards for four years before being transferred to Murmansk shipyards in 1994.

The recommissioning of the carrier (identified by the Russian navy as a cruiser-IF), which raised the St. Andrew flag for the first time on February 23, has been rescheduled several times since because of underfunding of repair works which are now in a final phase.

Nuclear Reactor Shut Down Due to Leakage

LD1509220695 Moscow ITAR-TASS in English 1855 GMT 15 Sep 95

[By ITAR-Oleg Artyshin]

[FBIS Transcribed Text] SMOLENSK REGION, September 15 (ITAR-TASS) — The first nuclear reactor of the Smolensk nuclear power station was shut down following a leakage from one of the units of its cooling system. Chief engineer on duty Pyotr Dobrovolsky told Itar-Tass that the reactor was shut down at 13:43 pm on September 13 after a leakage from its pipeline had been detected. No discharge of radioactive water to service rooms of the station has been reported.

A special commission set up by the "Rosatmoenergo" concern is arriving at the nuclear power station on Monday to establish the causes of the accident. Dobrovolsky said that after the reactor was stopped, the damaged section of the pipeline where the leakage was detected was temporarily sealed. Preparations are under way for welding the damaged pipeline and carrying out an inspection of other welded joints.

According to Dobrovolsky, the accident poses no threat to the personnel of the station and the population of nearby areas. The radiation level in the area of the station remains normal. The engineer did not say how long repair operations would continue and when the damaged reactor was expected to resume operation.

Meanwhile, only the third nuclear reactor has been operating normally. The second reactor was shut down for planned maintenance early in August.

Federal Assembly

Newspaper Previews Parliamentary Budget Debate

MM1909104395 Moscow ROSSIYSKAYA GAZETA in Russian 19 Sep 95 p 2

[Report by Anna Kozyreva: "Not Enough Money for Boots for Military. But Only for Rubbish"]

[FBIS Translated Text] The parliamentary vacation has not yet ended. For the start of the two chambers' work the government, like society, has submitted for the deputies' examination the draft budget for next year. Even a cursory acquaintance with it shows that the draft will most likely not suit the parliamentarians. Moreover, proposals from various ministries and departments that appropriations for their needs be increased have already reached the committees and commissions of the Duma and the Federation Council.

The situation is somewhat paradoxical. It would seem that all the ministries and departments have made their proposals for the budget and their representatives took part in the coordination of the final figures. But.... The ink had not had time to dry before it was time to begin work on the budget again.

Valeryan Viktorov, deputy chairman of the Federation Council, who familiarized journalists with the document's main provisions, noted:

"The introduction of substantial corrections to the draft budget is an ordinary matter for the parliaments of virtually all countries."

It is pleasant that our country is no exception. But, as Valeryan Nikolayevich says, "the budget will be adopted by the new Federal Assembly. And in October a conciliation commission will be perhaps be created or the Duma will immediately send the draft to the government for further work."

So we will "go our own way" again.

How could the present draft fail to suit the parliament? Let us look at its most important provisions. Many of them should have generated a sense of optimism. Thus, for the first time in recent years the budget has been drawn up with a view to halting the decline in the GDP. The volume of the GDP is predicted at the level of 2,100 trillion rubles [R]. That is about $380 billion at the average exchange rate over the year of R5,5000 to a dollar.

The draft also provides for extremely low inflation compared with recent years — 35 percent a year. In the government's opinion this forecast is based on trends of recent months. But the deputies could view this figure as a political ploy before the elections. The point is that periods when the economic situation has improved have been noticed in individual months in previous years. Nonetheless the forecasts compiled on the basis of positive indicators at the time were not vindicated.

It is clear that the deputies, who have learned from experience, will want to supplement the draft budget with norms determining the precise procedure for altering the volumes of financing in this case. The parliamentarians will also want to control the budget's execution in the process of financing and not when the report is approved.

The second feature of the proposed draft is a considerable increase in the proportion of tax revenue: from 78.4 percent according to the 1995 plant to 85.4 percent. The reason why this is happening is clear enough — this year's budget miscalculates nontax revenue. In particular from the sale of state property. The revenue to the budget from privatization is half what was expected.

It is natural to expect that it is primarily the opposition which will raise the question of the failure of the present privatization course.

We can boldly suppose that many expenditure items will generate serious complaints from the deputies. Thus expenditure on the maintenance of the northern territories will be reduced 50 percent. The Federation Council committee for northern affairs will never agree to this reduction and will defend the interests of the regions of a large part of Russia. The committee's position is clear: The north means forests, gold, oil, gas.... The northern regions provide the greatest currency profit for the country yet they are on starvation rations.

Valeryan Viktorov also told journalists that he will lobby in parliament for the interests of the power ministries.

The budget provides for an increase in expenditure on defense from R50,853.7 billion in 1995 to R78,972.7 billion according to the draft for 1996. In comparable prices that means an increase in expenditure of just 16.8 percent. The average level of increase of expenditure is 25.5 percent. As we can see the defense sectors are obviously not among the leaders for state financing.

The power ministries would like expenditure to increase considerably compared with this year. For instance the Defense Ministry is in need of a 35 percent increase in budget expenditure and an increase of 169 percent for the current maintenance of the army. According to MVD [Internal Affairs Ministry] forecasts it will have to increase expenditure by 243 percent compared with this year. The Federal Security Service has asked for a 187.8 percent increase to its budget.

These figures have not been plucked out of thin air. They by no means attest to the immoderate appetites of our power ministries. The army, police, and state security service are not black holes in the economy which take our money. On the contrary we must be confidence of the defense strength of our state and confident that our police can protect us. But who will a hungry, cold man protect? Napoleon said: "If the state does not want to feed its own army it will feed its enemy's army."

The vice speaker himself, in taking part in the work of the commission for Chechnya, saw with his own eyes the parlous state of the Russian Army today.

I think the position of many parliamentarians will be like this: Give the army, the police, and state security as much as they really need. But that does not mean the uncontrolled use of funds. The deputies intend to keep a strict watch on the power ministries' expenditure. The scandals involving the sale of army property in the Western Group of Forces have not been forgotten.

Meanwhile journalists are speculating as to whose representatives will be most successful in lobbying for their interests in the parliament and government: The agricultural leaders, the northerners, or the power ministries? Yet one would like the winner to be not someone's lobby but Russia as a whole.

Deputies Discuss Revenue Component of 1996 Budget

MK1909073095 Moscow SEGODNYA in Russian 16 Sep 95 p 2

[Report by Svetlana Lolayeva: "Deputies Keep Pondering Whether There Should Be a Tax on Bank Deposits"]

[FBIS Translated Text] Budget revenues and draft laws on amending Russian Federation legal acts on taxes were discussed yesterday at a regular meeting of the working group for consideration of the draft 1996 federal budget. According to First Deputy Finance Minister Vladimir Petrov, the federal budget's planned revenues are 332.6 trillion rubles, which is 15.2 percent of gross domestic product. It is expected that tax revenues will provide 42.7 trillion rubles, foreign economic activity will bring 13 trillion, privatization revenues will stand at 11.4 trillion, and 5 trillion rubles will be gained from Central Bank earnings. Some 3.5 trillion rubles should go to the budget as penalties for exceeding the wage bill. This non-tax control of wage increases, replacing the abolished tax on the excess wage bill, was proposed by the Finance Ministry as the law "On the Control of Funds Assigned by Enterprises for Remuneration of Labor in 1996." According to Deputy Finance Minister Sergey Shatalov, the concept of the law is very simple: Enterprises liable to control will be those in which mean wages are above the average. The normative level of wages is supposed to be calculated by multiplying the average wages for Russia by a factor of two. If an enterprise exceeds the norm and is 0.8 percent over the inflation rate, a penalty of 100 to 300 percent will be collected on the excess amount. The revenues thus received are supposed to be used to fund the agroindustrial complex, which roused the utmost indignation of Gennadiy Kulik, deputy chairman of the [Duma] Budget Committee and a member of the agrarian faction, who proposed that this money be used for the maintenance of the president and the government. The working group, however, rejected the Finance Ministry's draft and advised the government to get back to the previous practice of a tax on the excess wage bill and to raise the normal excess level from six to 10-12 times the minimum wage. In addition, the Finance Ministry and the State Tax Service are advised to consider taxing super-high incomes and changing the income tax scale.

For the time being, however, changes in the income tax devised by the government have boiled down to expanding the scope of taxation. It was proposed that a tax be imposed on the interest on people's bank deposits and loans, and that the privileged amount — not subject to taxation — for a person who buys, builds, or sells a house, apartment, or car be reduced from 5,000 to 1,000 times the minimum wage. After long discussions, members of the working group rejected the latter proposal. The problem of having deposits and loans taxed is still open. Most of the working group members support the idea of a tax on loans (Finance Ministry officials explained to the deputies that granting long-term interest-free loans is a commonly used practice to recompense workers at commercial banks and other financial structures, with formal wages being low). Many of them, however, are unsure whether it is worthwhile to impose a tax on people's bank deposits.

As regards the tax on profits, the working group generally supported the government's idea to abolish privileges on reserve funds at small enterprises and to clarify the privileges of societies of disabled persons. Many deputies spoke against raising the value-added tax by 1 percent. The question, however, still remains open, and it was suggested that this issue be revisited when balancing the budget as a whole. The problem of whether enterprises are to pay taxes after their products are realized, as is the practice now, or after shipping them also remains unresolved. At the next meeting, the discussion on budget revenues will probably be finished, and the deputies will turn to consideration of expenditures.

Zatulin Criticizes Government; Demands Kozyrev Ouster

LD1809185895 Moscow INTERFAX in English 1739 GMT 18 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 18 (Interfax) — Chairman of the State Duma Committee for CIS Affairs and Relations with Compatriots Konstantin Zatulin harshly criticized the activities of Russian diplomats in the Balkans in an interview with Interfax Monday.

Zatulin had returned from a trip to the republics of former Yugoslavia as a member of a State Duma working group which has been working in the conflict area since September 13.

Zatulin underlined that "the Serb side regards most Russian diplomats and Foreign Minister Andrey Kozyrev personally with total distrust." A number of Russian diplomats in the region believe their main goal is "to push the Serbs towards concessions, capitulation and other actions" rather than discuss various ways of settlement, he added.

"The minister's resignation is needed to restore the confidence of our traditional ally," he underlined.

Zatulin is convinced that the State Duma will relieve him of his powers as people's deputy and charge him with having inflicted damage on Russia before the end of the year, if he does not himself resign. "It is clear for us that the minister is abusing his office not for the sake of Russia, but from a basis of alien logic," he added.

Zatulin remarked that the September 7 presidential decree to provide the Serbs with humanitarian aid had not been implemented. No specific instructions were given to Russian representatives in Yugoslavia, no talks are under way. "In any case, Russian aid does not reach the Bosnian Serbs, victims of the NATO bomb strikes, only Greek humanitarian shipments do," he said.

Zatulin noted that Serbia had already registered as many as 175,000 refugees from Serb Krajina, while their immigration is growing. "These refugees will not survive the upcoming winter without Russia's supplies of gas and petroleum products," he said. A humanitarian corridor through Bulgaria should be organized to deliver these products, he suggested. Russia should pressure Bulgaria to create such a corridor, he added. The Russian deputies consulted with their Bulgarian colleagues on this issue in Sofia Monday morning, he said.

Zatulin said members of the working group will provide evidence that the NATO air strikes hit civilian targets as well as military positions at their news conference Tuesday.

Duma Defense Committee Head Urges New Drafting System

LD1809135595 Moscow ITAR-TASS in English 1339 GMT 18 Sep 95

[By Sergey Chereshnev]

[FBIS Transcribed Text] MOSCOW, September 18 (Itar-Tass) — Russia needs to change the system of manning its armed forces and reduce the length of service to 12-10 months, a Russian top official said.

Speaking at a press conference in Moscow on Monday, Sergey Yushenkov, chairman of the State Duma Defence Committee, said there are three amendments to the law on military service on the President Boris Yeltsin's table. The amendments were approved by the Duma on July 20, 1995.

The first amendment increases the length of service to two years only for those who will be drafted after October 1, 1995, that is after the new law on military service takes effect. This extension should not affect those who have been drafted for 18 months, he said.

The second amendment concerns those who serve in trouble spots and limits the length of their service to 15 months.

The third one restores the right to temporary exemption from conscription for those who have been brought up and supported for no less than seven years by the parents who are over 50 as of the date of conscription.

Yushenkov said the president is supposed to make up his mind about the amendments by September 22. He did not rule out the possibility that Yeltsin may reject them, adding that the Duma is unlikely to overcome his veto. "Then there will be only one option left — to wait for new elections to the State Duma," he said.

Legislative, Regulatory Documents 10-16 Sep

95P50173

[FBIS Media Note] The following is a listing of Russian legislation recently published in the press of the Russian Federation compiled by FBIS. Numbers within parentheses indicate approximate wordage. Entries followed by the notation "Text" have been translated into English and are available in FBIS publications.

SECTION I: ECONOMIC LEGISLATION (EXPORT-IMPORT, BANKING, PRIVATIZATION, AUCTIONS, REGIONAL DEVELOPMENT)

Chernomyrdin 26 August Decree Setting Up Federal Fund For Production Innovations. (Moscow ROSSIYSKAYA GAZETA in Russian 12 Sep 95 p 4) (650)

Chernomyrdin Signed 26 August Government Decree No. 843 On Measures To Improve Working Conditions And Labor Safety, Accompanied by Commentary On Increased Industrial Injury And Fatality By Lyubov Volkova. (Moscow ROSSIYSKAYA GAZETA in Russian 13 Sep 95 p 4 (1400/450)

Chernomyrdin 26 August Directive No. 1166 On Approval Of Proposal To Hold 21-22 September Conference On Ways To Develop Russia's Economy, Accompanied By Composition Of Organizing Committee. (Moscow ROSSIYSKAYA GAZETA in Russian 13 Sep 95 p 6) (500) (Text)

Chernomyrdin 4 September Decree No. 872 On Measures To Implement Presidential Edict On 'Russian People's Telephone' Program. (Moscow ROSSIYSKAYA GAZETA in Russian 14 Sep 95 p 3) (300)

Chernomyrdin 4 September Decree No. 876 Tasking Local Land Resource Committees With Compiling Registers Of Land Tax Payers. (Moscow ROSSIYSKAYA GAZETA in Russian 16 Sep 95 p 3) (450)

Chernomyrdin 6 September Decree No. 902 On Draft Presidential Edict On Urgent Measures To Provide Food For Armed Forces Servicemen. (Moscow

ROSSIYSKAYA GAZETA in Russian 12 Sep 95 p 4) (150) (Text)

Yeltsin 7 September Edict No. 902 On Opening Separate Accounts To Keep Track Of Repayable Federal Budget Funds Provided To Fund Conversion And Investment Programs. (Moscow ROSSIYSKAYA GAZETA in Russian 12 Sep 95 p 4) (400)

Yeltsin 7 September Edict No. 903 On Federal Railroad Troops Service. (Moscow ROSSIYSKAYA GAZETA in Russian 12 Sep 95 p 4) (500) (Text)

SECTION II: POLITICAL (INTERNATIONAL AND CIS AFFAIRS, ELECTIONS, CRIME, POLLUTION)

Chernomyrdin 17 July Decree No. 727 On Concluding Agreement With Belarus On Joint Actions To Minimize And Overcome Consequences Of Chernobyl Disaster, Plus Agreement In Question. (Moscow ROSSIYSKAYA GAZETA in Russian 16 Sep 95 p 14) (250/1600)

Chernomyrdin 4 September Decree No. 870 Approving Rules For Classifying Information That Constitutes A State Secret, Plus Rules In Question. (Moscow ROSSIYSKAYA GAZETA in Russian 14 Sep 95 p 3) (1600)

Chernomyrdin 4 September Decree No. 880 Rescinding, Amending Previous Government Decrees In Light Of Adoption Of Law On Supplies Of Products For Federal State Needs, Plus Lists Of Said Decrees, Amendments. (Moscow ROSSIYSKAYA GAZETA in Russian 16 Sep 95 p 3) (100/1600)

Chernomyrdin 4 September Directive No. 1211 Listing Members Of Russian- Estonian Joint Commission. (Moscow ROSSIYSKAYA GAZETA in Russian 14 Sep 95 p 3) (300)

Chernomyrdin 6 September Directive No. 1231 On Preparing For Test Observer Flights Under Open Skies Treaty. (Moscow ROSSIYSKAYA GAZETA in Russian 14 Sep 95 p 3) (300)

Chernomyrdin 6 September Directive No. 1246 Delegating Health Minister Nechayev And Others To Go To Israel For 15-20 September WHO Conference, Talks And Agreement Signing With Israeli Health Ministry. (Moscow ROSSIYSKAYA GAZETA in Russian 16 Sep 95 p 3) (100)

Yeltsin 6 September Edict No. 900 On Priority Measures To Improve Work With Cadres In State Service System And Implementation Of Federal Law On State Service, Accompanied By Commentary On Aims Of Edict By Przhezdomskiy, Deputy Chief Of Russian President's Federal State Service Administration. (Moscow ROSSIYSKAYA GAZETA in Russian 13 Sep 95 p 4) (200/450) (Text)

Yeltsin 9 September Edict No. 918 Deeming Null And Void Earlier Edict On Procedure For Decisionmaking On Questions Of Concluding International Treaties On Granting And Obtaining State Loans In View Of Adoption Of Federal Law On State Foreign Borrowings. (Moscow ROSSIYSKAYA GAZETA in Russian 14 Sep 95 p 3) (200)

Statute On Federal Security Service. (Moscow SOBRANIYE ZAKONODATELSTVA ROSSIYSKOY FEDERATSII in Russian No. 26, 26 Jun 95 pp 4676-4684) (8000) (Text)

Federal List Of Candidates For Duma Elections Presented By Ryzhkov's 'Power To The People' Bloc, Plus List Of Candidates For Single-Seat Districts. (Moscow ROSSIYSKAYA GAZETA in Russian 12 Sep 95 pp 4-6) (11500) List Of Duma Candidate Deputies Running From 'Women Of Russia' Political Movement Electoral Association. (Moscow ROSSIYSKAYA GAZETA in Russian 13 Sep 95 p 6) (850)

Federal List Of State Duma Candidate Deputies For Federal Electoral District Nominated By CPRF. (Moscow ROSSIYSKAYA GAZETA in Russian 14 Sep 95 pp 4-6) (15000)

Federal List Of Yabloko Candidates For State Duma. (Moscow ROSSIYSKAYA GAZETA in Russian 16 Sep 95 pp 4-5) (7500)

Federal List Of European Liberal Democratic Party Candidates For State Duma. (Moscow ROSSIYSKAYA GAZETA in Russian 16 Sep 95 p 5) (1000)

List Of Candidates For Single-Seat Duma Constituencies From "Russia-Wide 'Democratic Alternative' Party" Electoral Association. (Moscow ROSSIYSKAYA GAZETA in Russian 16 Sep 95 p 6) (1000)

SECTION III: SCIENTIFIC-TECHNICAL

Chernomyrdin 4 August Decree No. 783 On Signing Agreement Between Russia And Belarus On Scientific And Technical Cooperation, Plus Agreement In Question. (Moscow ROSSIYSKAYA GAZETA in Russian 16 Sep 95 p 14) (200/1300)

Chernomyrdin 4 September Decree No. 877 Approving List Of Personnel In Various Spheres Who Are Subject To Mandatory AIDS Screening, Plus List In Question. (Moscow ROSSIYSKAYA GAZETA in Russian 14 Sep 95 p 3) (600)

Regional Affairs

'Text' of Yeltsin Edict on Regional Elections

LD1809202795 Moscow ITAR-TASS World Service in Russian 1836 GMT 18 Sep 95

[FBIS Translated Text] Moscow, 18 Sep (ITAR-TASS) — Russian President Boris Yeltsin today signed an edict "On elections to the bodies of state power in the constituent parts of the Russian Federation and to the bodies of local self government." The text of the decree handed to ITAR-TASS by the head of state's press service follows below:

"With the aim of creating the conditions for implementing the principle of democracy, enshrined in Part Two of Article Three of the Constitution of the Russian Federation, as well as ensuring that the Federal Assembly's Federation Council is formed in 1995,

"Taking into account the fact that in a number of constituent parts of the Russian Federation there is still work to be done on the process of creating the legislative basis needed for elections to be held, and for the state power bodies in the constituent parts of the Russian Federation and the local self government bodies to function,

"Before the adoption of federal laws on the general principles of the organization of representative and executive bodies of state power in the constituent parts of the Russian Federation, and on the formation of a financial and material base for local self-government, guided by Part Two, Article 80 of the Constitution of the Russian Federation, I decide:

1. To deem necessary to hold in December 1997 elections to the representative (legislative) bodies of state power in the constituent parts of the Russian Federation, whose powers, in accordance with the edict by the president of the Russian Federation, of 22 October 1993, No. 1723 "Concerning the main principles of the organization of state power in the constituent parts of the Russian Federation," expire in 1995 and 1996.

2. To recommend that the representative (legislative) bodies of state power of the component parts of the Russian Federation, which previously appointed elections to the representative (legislative) bodies of state power of the corresponding component parts of the Russian Federation in 1995 or 1996, and if they have not fixed the term of office of the relevant representative (legislative) body of state power of the correspondent component parts of the Russian, to make decisions to postpone the elections till June 1997. If such decisions are made, the edict of the President of the Russian Federation of 22 October 1993, No. 1723 "On the fundamental principles of organization of state power in the component parts of the Russian Federation" does not apply to the relevant representative (legislative) bodies of state power of the corresponding component parts of the Russian Federation during their term of office.

3. That the elections of the heads of administration of the component parts of the Russian Federation appointed by the President of the Russian Federation are to be held in December 1996.

To appoint as an exception elections of heads of administrations of Novgorod, Moscow, and Omsk Regions for 17 December 1995.

4. To deem necessary to hold the elections of bodies of local self-government in December 1996.

5. To recommend to the representative (legislative) bodies of state power of the constituent parts of the Russian Federation that they ensure the formation of the necessary legislative basis for the holding of the elections of heads of administrations of the relevant constituent parts of the Russian Federation and of bodies of local self-government on the territory of the relevant constituent part of the Russian Federation.

6. To instruct the state legal directorate of the president of the Russian Federation to prepare for submission to the State Duma within a two week period a draft federal law "On introducing amendments and addenda to the federal law 'On general principles of the organization of the local self-government in the Russian Federation'" which envisages the postponement of the date of the elections of local self-government bodies.

7. This edict comes into force on the day it is signed.

Further Reportage, Commentary on Chechnya Conflict

Federal Command on Disarmament Stages

LD1909091595 Moscow ITAR-TASS in English 0854 GMT 19 Sep 95

[By Valentin Pavlov]

[FBIS Transcribed Text] GROZNYY, September 19 (Itar-Tass) — Fire was opened 408 times over on federal troops in Chechnya in the period from September 1-18. Twenty-six servicemen were killed and 153 wounded as a result of these attacks, says a statement issued today by the Command of the joint group of federal troops in Chechnya, which deals with the ceaseless provocations of Dudayev's side, which may torpedo the package of military agreements.

The statement says in particular that attacks on the federal troops are being launched daily in spite of the

Chechen side's repeated statements that it fully controls the actions of its field commanders and is able to influence the disarmament process.

In keeping with the reached agreement, the Russian side has demanded the completion of the first stage of the disarmament of unlawful Chechen armed units before September 27, 1995. The second stage of the disarmament will be carried out, starting from September 30, under the direct control of the special observers commission and the OSCE mission. Weapons will be bought from the population in individual cases during the third stage when the disarmament of the unlawful armed units and home guard detachments is completed.

The Russian side has warned that no guard detachments will be formed in the populated localities, where organs of the Chechen Republican Interior Ministry have been set up. Such detachments, elected and endorsed in some populated localities in keeping with the reached agreement, shall be disbanded after the creation of law enforcement bodies there.

The statement says that the Russian side reserves the right to unilaterally disarm the unlawful armed units and home guard detachments by force in cases when the agreement on the package of military problems and the disarmament schedule are violated.

The withdrawal of troops from the territory of the Chechen republic will be completed in keeping with the agreement after the unlawful armed units and home guard detachments are fully disarmed.

The Russian side has moved to reconsider the schedule for the disarmament of the unlawful armed units district by district, to carry out their disarmament on the territory controlled by the Chechen side under the supervision of members of the special observers commission from the Chechen side, and on the territory held by the Russian side — under the control of members of the special observers commission from the Russian side.

Federal Troops Deny Attack on Village

LD1809180995 Moscow INTERFAX in English 1608 GMT 18 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 18 (Interfax) — Federal troops did not fire an attack on the village of Chernorechye (near Groznyy), Major General Vladislav Bykovskiy, deputy commander of federal troops in Chechnya, told Interfax Monday.

He said that a rally was held in Chernorechye at about 11am. About 200 people demanded that federal troops be withdrawn from Chechnya. During the meeting a car with four Chechens was detained in the village. A total of 60 million counterfeit Russian rubles and $7,000 were found in the car. The four Chechens were detained and an investigation has begun.

The federal forces command believes that the money was to be paid to rally participants, said Bykovskiy.

Earlier Monday, Chechen Chief of Staff Aslan Maskhadov told Sandor Meszaros, head of the OSCE [Organization for Security and Cooperation in Europe] mission in Groznyy, that Russian troops opened fire in Chernorechye at about noon and wounded several civilians.

Bykovskiy denied the accusations.

Movladi Udugov, Dzhokhar Dudayev's spokesman, told Interfax that members of the OSCE mission went to Chernorechye to investigate the incident.

Maskhadov: Moscow Violating Accord

LD1809174295 Moscow INTERFAX in English 1608 GMT 18 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 18 (Interfax) — Chechen military commander and co-chairman of the special commission for monitoring the military accord Aslan Maskhadov has lodged a protest following "numerous violations by the Russian side of the military accord" the two sides signed on July 30. He met with head of the OSCE [Organization for Security and Cooperation in Europe] mission in Groznyy Sandor Meszaros on Monday.

Maskhadov informed Meszaros about Russian air and artillery attacks on Chechen villages leading to civilian casualties, Dzhokhar Dudayev's spokesman Movladi Udugov told Interfax.

Udugov said there were a number of casualties after the Chernorechiye settlement on the outskirts of Groznyy came under heavy machine-gun fire from an armored vehicle carrying Russian troops on Monday.

He said the rebel delegation in the special commission would make a formal statement and hold a news conference on Russia's violations of the accord on Tuesday.

Udugov said that contrary to earlier accords, the Russian side had failed to provide escorts to Maskhadov on Monday, whose car was stopped at several checkpoints outside Groznyy as a result.

Udugov said the Russian side would be asked bluntly on Tuesday whether or not it was going to comply with the military accord.

He quoted Maskhadov as telling Meszaros that "we are not going to mislead the Chechen people. We must tell them the truth of whether the agreement will be honored or not."

Chechnya Threatens To Invite Peacekeepers

LD1809180395 Moscow INTERFAX in English 1608 GMT 18 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 18 (Interfax) — Chechnya has warned it will have to formally request that the United Nations and other international organizations send UN peace-keepers to its territory if Russia fails to abide strictly by the terms of the military agreements.

The decision was taken on Sunday [17 September] at a session of the Chechen Republic parliament-Ichkeria in which deputies, field commanders, military commandants from districts and heads of rural administrations took part, according to the Minister for Press and Information in Dzhokhar Dudayev's Cabinet Movladiy Udugov. Dudayev himself addressed the meeting, which took place in the village of Roshni-Chu, in the Urus Martan district.

Speakers at the meeting said that the OSCE had in fact failed to cope with its mediation mission and was unable to prevent constant air raids and artillery bombardments against Chechen communities.

Udugov said that at the parliamentary session it was decided that "as political questions are discussed with the Russian government delegation, the Dudayev side may consider Chechnya's entry in the Commonwealth of Independent States."

It was also decided to prolong Dudayev's tenure in office and to postpone the presidential election in Chechnya scheduled for October 27 "until conditions for democratic elections have been established."

According to Udugov, in his address to the parliamentary session Dudayev said that "the withdrawal of the Russian occupying forces from Chechen territory is a mandatory condition."

Udugov said that other measures of a confidential nature were being prepared on the basis of the meeting's decisions.

Chechen Commandant Discusses Situation

954F3400B Groznyy VOZROZHDENIYE in Russian Aug 95 No 37, p 2

[Interview with Lieutenant General P.A. Kontarenko, commandant of the Chechen Republic, by unidentified correspondent; material prepared by A. Dovletukayev and M. Alinskiy; place and date not given: "The Total License of the Federals: Rumors and Reality"]

[FBIS Translated Text] The behavior of the military at the guard posts, the nighttime shooting, the arrests of citizens on the basis of anonymous letters, the abuse of those detained in screening camps—all this is causing understandable anger among the inhabitants of the republic. In order to look into these matters we decided to meet with Lieutenant General P.A. Kontarenko, commandant of the Chechen Republic, and obtain answers first-hand, as they say.

[VOZROZHDENIYE] Pavel Andreyevich, how do you assess the military and political situation in the republic?

[Kontarenko] It may be assessed very simply—it is complex. Shelling of the positions of the federal troops and the commandant's offices in Staropromyslovskiy Rayon and Chernorechye continue, despite the announced moratorium. One conclusion may be drawn here: This moratorium and the negotiations are getting in some people's way. But as regards the situation in the republic as a whole, I may say that life is getting back to normal, not at the pace that we would like, of course, but definite restoration work is being performed. It may be said by way of a forecast that after what has happened in the republic, we should not expect a total stabilization of the situation in the immediate future. Too many people have suffered, and this will not pass rapidly and without trace, of course. Generally, it will take a lot of work and time for everything to be smoothed over on both sides.

[VOZROZHDENIYE] The townspeople believe that the nighttime firing comes from the soldiers amusing themselves....

[Kontarenko] Of course not. We know the menace of this under urban conditions. Residents of the community of Chernorechye leveled the same charge at us, incidentally: You are shooting aimlessly. We invited two residents from the house next to the commandant's office to spend a night at the guard post. Half an hour after we had gone to the shelter, shelling from grenade launchers began. They told people in the morning: "Yes, the troops responded only after grenade launchers had opened fire on them."

[VOZROZHDENIYE] Arrests of the former irregulars have become more frequent in the city, although we promised not to touch those who have lain down their arms voluntarily.

[Kontarenko] The military is not arresting anyone, this is not a part of its functions, it is not entitled to do so. The military may detain people whose papers are not in order and hand them over to officers of the

Internal Affairs Department, it is there that the final decision—to arrest them or release them, if there is no criminal case to answer—is made. Generally, specific facts are needed. The best way to investigate and adopt measures if something unlawful is being done is to have specific factors [as published] available: who was detained where, by whom, and when? Then converse is easy, and an answer may be given to any question.

[VOZROZHDENIYE] There have been instances of the soldiers at the guard posts behaving provocatively, and there have also been many instances of extortion from the citizens. What measures are being adopted to put a stop to such actions?

[Kontarenko] I have not encountered such instances in my short time here, and people have not applied to us in this connection. But I know that there were such instances earlier. If such a fact is proven, criminal proceedings will be instituted, and the military procuracy will conduct an inquiry.

If there are insignificant offenses that do not come under an article of the Criminal Code, the conversation is brief also: a return to where one is permanently stationed and the institution of disciplinary proceedings.

[VOZROZHDENIYE] Joint guard posts of the military and the local police would be more effective. Why is this option not being practiced?

[Kontarenko] We are not dropping joint patrols, on the contrary, we are even the sponsors of them in many cases. But there is an opposite response on the part of the Internal Affairs Department. We made such attempts in Leninskiy, Oktyabrskiy, and Staropromyslovskiy Rayons, but they have not been crowned with success as yet.

[VOZROZHDENIYE] For what reason?

[Kontarenko] Reference is made to various factors, the shortage of people included. But we are prepared to cooperate.

[VOZROZHDENIYE] Thanks for the interview. We hope this will not be the last meeting.

[Kontarenko] Thank you also. The doors to the press at the commandant's office are open until.... 1800 hours.

From the Editors:

To judge by the answers of the esteemed interviewee, we should be feeling sorry not for the people who have experienced the entire horror of war and who have in the majority of cases lost their accommodations and property, but for the federal troops, who did not protect them earlier and who are not protecting them now either. So many people have died and will continue to die from the shelling and on account of the fast driving of the military and are still being blown up by the mines that it has left behind. And the treatment of the detainees at the screening camps? Journalists have still not been allowed close access to them. There is a multitude of such facts, and they are becoming public property, but nothing is heard of the measures being adopted in respect to them. And how about the commandant's proposition that "for offenses that do not come under the Criminal Code the military personnel are sent back to where they are permanently stationed, and disciplinary proceedings are instituted." For some of the federals, apparently, service in Chechnya is something akin to an incentive trip to make some money, and being sent back is a punishment.

This interview does not, unfortunately, clarify these issues. But we hope that those who are responsible for "bringing order to bear" in the republic, rank and office notwithstanding, will answer for their contribution—personally and according to the law.

Khasbulatov Interviewed on Chechnya

MM1809153695 London AL-SHARQ AL-AWSAT in Arabic 15 Sep 95 p 7

[Interview with Former Speaker of the Russian Parliament, Ruslan Khasbulatov by Sami 'Amarah in Moscow; place and date not given]

[FBIS Translated Excerpt] [passage omitted] We began our interview by referring to the differences in the positions of the various Chechen factions and the increasing temperature of the dialogue within the ranks of the opposition, some members of which enjoy the support of the Russian capital. Khasbulatov replied saying: "I have warned against this and said that no good can come of flirting with the opposition and offering it concessions. See what the result has been."

['Amarah] But what are your views about President Yeltsin's suggestion to involve you in trying to find a solution to the Chechen crisis?

[Khasbulatov] I naturally replied in the affirmative. I believe it was not easy at all for the President to make such a suggestion. It seems they have studied many of the dimensions of the question — the Chechen crisis and the Chechen war. I also view this suggestion from yet another aspect. I have had some doubts as to whether the federal authorities had actually embarked on the road of peace and negotiations. But Yeltsin's proposal has come to personify in my opinion a serious intention to resolve the question not by military means but by the establishment of good relations with the land of the Chechens through negotiations and by peaceful means.

['Amarah] How do you see the future of Chechnya?

[Khasbulatov] This is a very difficult question. Had there not been war, the situation would have been different... but the war has naturally changed the people's way of thinking. For this reason, it is difficult to say for sure what the future of the Chechens will be and I have no right to express an opinion about this matter... because every word I shall say will be the subject of rigorous study and scrutiny — by the Chechens themselves above all. For this reason, I believe that duty now requires the consecration of the state of an "absence" of war first and foremost. This is because the "absence" of war will mean the prevalence of a long period of confusion. Under such circumstances, efforts should be gradually exerted, step by step, for widening the scope of... the sphere of peace and accord and the submission of the aforementioned question to a referendum and elections...by the people themselves. I believe that this would be the most correct path to follow. Moscow should avoid trying to impose and dictate its will. It must also avoid trying to drive Chechnya in any particularly direction. After this whole tragedy, Moscow should leave the people to ponder the situation and make the right choice.

['Amarah] Do you not think that Yeltsin's invitation to you to participate in the discussions might distort your image in the eyes of the Chechen people and might make some consider you as one of the Moscow authorities' men?

[Khasbulatov] You are right, for I act on the premise that the Chechen people were the first to call upon me to participate...then came Yeltsin's suggestion. Indeed, a Chechen delegation visited me prior to that [invitation] and raised the same matter with me. They asked me to help in the holding of negotiations and the organization of conditions in the future. A few days ago, a meeting was held of elders who raised this question during a meeting with Yeltsin's representative at Groznyy. So if people did not care about me while the federal authorities accord me the best treatment, I would not be able to contribute anything. You may recall what happened last year. As a result of the activities of my peace-keeping group, we were very close to realizing a peaceful solution for the conflict. But due to the lack of trust on the part of the federal authorities and their attempt to resolve the conflict by military means coupled with the ordering of the columns of tanks by Salambek Khadzhiyev and Umar Afturkhanov on 26 November to proceed to Groznyy, the entire edifice built by my peacemaking group collapsed.

The people correctly understand what I tell them now. In fact, many of the Chechen people did not believe that such a war would take place, and that it would bring upon them all these tribulations. They used to think that the Russian soldiers would come and remove the armed men and peaceful life would return after that. But I used to tell them, the situation will not be like this, friends...I saw the military machine and how it operates when the building of the Russian parliament was bombarded. They are not the soldiers you imagine them to be — they will carry out acts of murder and robbery here.

The people now remember all that I had said then and express their desire for me to come and help in finding a settlement so that they may get rid of this catastrophe. For this reason, [my] cooperation with the federal authorities is an enforced measure. The federal authorities realize that matters will be extremely difficult without me, and, on the contrary, this step [Khasbulatov's participation] becomes more realistic in view of my capabilities and in view of the attempts being made for the restoration of peace and order, the holding of elections and the formation of the organs of authority in the Republic of Chechnya.

You well know that in the absence of an elected legal authority, all sorts of extremism might emerge... including acts of terrorism akin to those that have taken place at Budennovsk.

['Amarah] You have called some of the representatives of the incumbent authorities imposters — such as Salambek Khadzhiyev and Umar Afturkhanov.

[Khasbulatov] Undoubtedly... naturally there are collaborators and agents whose primary conern, unfortunately, is not the bloodshed and tribulations that are taking place but the preservation of their positions and the keeping of their seats as prime minister or ministers for as long as possible. For this reason, I believe that the matter should be tackled as follows: It is necessary to abolish all these provisional governments and fabricated institutions — rule yourselves by yourselves. They have sparked off the war thus causing the death of 50,000 people for the sake of toppling a regime that they did not like and then imposed a still worse regime than the one that existed. It is worse, because, in the first place, the regime was not elected by the people.

['Amarah] I have met with Salambek Khadzhiyev, President of the Provisional Government, and Umar Afturkhanov, Chairman of the National Reconciliation Committee, both of whom affirmed to me that they were elected by the people.

[Khasbulatov] A provisional council elected them during a meeting at Znamenskoye some time ago. However, Yeltsin issued a decree afterwards abolishing this council but the government, which was formed by that council, remained...you yourself are aware that there were no elections. Unfortunately, this is the reason why you see that they do not want elections now. They talk like this in front of you because you write for a paper in the Arab world, where people do not know the truth about us. But they refrain from saying the same thing to Russian journalists. The basic thing, however, is that while enormous funds are being allocated for reconstruction — you do not see any new buildings being constructed — they do not exist, and the funds are missing and lost.

['Amarah] People everywhere complain of corruption, bribery and unemployment....

[Khasbulatov] Unfortunately, this is completely true. People do not receive their pensions, or wages or allowances. Soon the cold season will arrive in the mountainous regions, as you are aware, and the only road leading to these regions from Groznyy is in a deplorable state... but food, relief commodities, kerosene and matches have to be carried to these regions. But nobody thinks about this matter. The main preoccupation of all the "provisional" responsible officials is how to consolidate their personal positions.

Corruption has spread on a wide scale... but even this is not the main thing that preoccupies my thoughts. As you know, the Russian forces will be withdrawn. Because many people were killed, internal clashes might take place within Chechen society... this, in turn, could lead to a real civil war.

Naturally, these are only my thoughts. But often people coming from there visit me and I give them advice. Incidentally, it is very important to benefit from the positions of prominent personalities in the Arab countries.

The Chechen people are Muslims and they have respect for the countries from which Islam came centuries ago.

Influential Chechen personalities come to appeal to me, in view of my contacts with the Arab and Islamic world, to draw the attention of the Arabs and Muslims to our problems. We could invite some prominent people [from the Arab and Muslim world] to visit Chechnya, and this is a matter I can arrange, to call on the people and the warring factions [in Chechnya] to stop their internecine fighting after all the catastrophes and tribulations that have befallen the people and after many people have suffered, and to live in peace and harmony. I believe this will bring very big results.

['Amarah] You may still recall that in your conversation prior to the storming of Groznyy you referred to Dudayev's departure as being the start of the solution. Do you still hold this view?

[Khasbulatov] That was before the war, and was a completely sound view. The situation was favorable [for this] prior to 26 November. People knew that Dudayev wanted war, while the people did not want war... Dudayev, anyway, suffered from isolation to a certain extent. But what has precisely happened on 26 November, when Khadzhiyev and Avturkhanov and others, supported by the federal authorities, gave marching orders to the columns of tanks which carried out the destruction [of Groznyy], it was natural for Dudayev to gain a new prominent position, because even the people who did not like him and who used to reject him, began to say: Look, there are worse enemies than Dudayev waging war against us, and so we must overlook the old wrongdoings and unify our ranks.

['Amarah] Are you prepared to meet and cooperate with him?

[Khasbulatov] When I was there last year, I suggested to him that we should meet, but he refused. However, the situation now is more complicated. War has taken place and thousands of people were either killed or injured... for this reason, the situation now is more difficult. But when matters concern the interests of people, and 1 million human beings, one must cooperate with all, particularly myself being an advocator of peace, and so I cannot refuse cooperation. I am ready to cooperate [with Dudayev]. I cooperated with his supporters at the time...with his military commanders and ministers... but he personally was not interested in cooperation. But the situation now is more complicated... and no matter how much a section of people sympathize with him, the people are aware that he is one of those responsible for sparking off the war.

Of course, it is very unlikely that people will forgive him for this. But you are completely right... without him and without his men, nothing can be done. Look, his chief of staff Maskhadov has been participating in the negotiations on his behalf and on behalf of others. Dudayev himself participates in the negotiations indirectly. I do not considered it unlikely for the group advocating peace to cooperate with all forces, including the supporters of Dudayev. This is only natural in matters of negotiations.

['Amarah] Is there any agreement on a meeting of all parties to the Chechnya crisis?

[Khasbulatov] If people ask me to do so and say that the interest of peace demands the holding of such meetings, I cannot refuse and follow my own personal ambitions and wishes and so on and so forth... one must place oneself truly in the service of the interest of people and peace.

['Amarah] What about the likelihood of a meeting with President Yeltsin?

[Khasbulatov] This is somewhat premature. Certain conditions might develop. However, let me continue my talk about the previous subject. When you [as published; sense would demand "I"] met here with influential ministers before Yeltsin made his statements, they told me: We want you very much to go to the Republic of Chechnya and to work there in a normal manner... we will not oppose your candidacy for membership of the parliament or the presidency if you wish to do so... on the contrary, we are ready to support you. When they told me that, I raised, at the time, the question of the Arab factor and the Islamic factor and asked whether they would support me in meeting with the Arab and Islamic personalities. They replied: We have no objection at all to this. Thus I believe that should leaders of the Arab world or the Islamic world wish to help us, the situation would fully permit this, and they can play their role. Our people rightly ask me: Why do our Muslim brothers not come and why do the influential leaders keep aloof from the Chechnya war... particularly since Europe has its representative office in Groznyy and the Europeans have helped as much as they can in the holding of these negotiations. Though I realize that this help is ineffective, yet the people see the West offering some sort of help. In view of this, the people are asking about the reason preventing influential Arab countries from making any move in this regard. I do not mean financial aid but political aid or the exertion of influence on the federal authorities... and the international community.

The Arab world's offer of help in the field of the establishment of peace does not conflict at all with Moscow's policy. Indeed, such help would raise the morale of the people who now find themselves in a very difficult situation.

I am prepared to meet with parliamentarians and others to explain to them the true facts about the situation, and even arrange visits for them.

I am in an exceptionally special situation. While Dudayev was bent on fighting and enjoyed the recognition of a section of the people and lacked the recognition of the other section, and while Khadzhiyev and Avturkhanov represent a quarrelling side... and enjoy the support of some people but not others. I am in a completely different situation, and I have the same relations with all of them and with the people who advocate peace... they are aware of my calls for peace to prevail and that there should be no war and that all must be forgiven so cooperation between the group advocating peace and the personalities of the Arab and Islamic world will meet with understanding from all Chechen people.

['Amarah] What do you think of the idea of Chechnya's independence? You have said previously that you favor Chechnya's remaining within the framework of the Russian Federation, but the majority of the Chechens today support independence. Where do you stand in regard to this idea?

[Khasbulatov] This idea is extremely crucial and of such grave seriousness that I cannot, sitting here in my office, reply to this question. I have said that this question is running through my head and also touches my heart. But, unfortunately, this cruel war has bolstered this [independence] idea. I say "unfortunately" because war is war.

I support the idea that people are not entitled to decide this matter by themselves. Perhaps I could have the right to do so before the war when we did not face these horrible ordeals. But since the war has taken place, and every family has lost one of its members, the matter has become one of extreme responsibility and sensitivity. I believe that no single person can say anything...the people should express their will.

['Amarah] I am only asking for your views and the extent of your support for this idea?

[Khasbulatov] Why this idea alone. I say that it is one of several ideas... the basic thing as far as I am concerned now... for example, I zealously accepted and approved the first agreement concerning the cessation of the war, which was signed on 30 July. As you may recall, I considered it a historical achievement... for it brought the war to a halt... as to the other issues, including the idea of independence, they must be hammered out at the negotiating table. As to how these negotiations will take place...this is a matter that necessitates, in the first place, the existence of a legitimate authority. Despite all my popularity and prominent position... and everybody says that my position is high... despite all this, I was not elected by anyone...is that not so? I have no authority to talk on behalf of the people. Dudayev too has no authority to talk on behalf of the people... nor does Khadzhiyev or Avturkhanov.

For this reason, I believe that elections must be held in the Republic of Chechnya so that a popular authority may exist to conduct negotiations with Russian Federation. Should the elected authority find itself unable to decide on any issue, that issue should be put to the people in a general referendum... so that the people may decide it for themselves. Then it would be possible to talk on behalf of the people. Naturally, in this case, negotiations must be held. Do not you agree with me that this is reasonable, logical and sound process.

['Amarah] What about the negotiations?

[Khasbulatov] If the aim is to establish peace, why not? We [the Chechens and the Russians] must agree in advance that all questions will have to be resolved through the negotiations. Why not? Similar acute conditions took place in the Russian Federation... in Tataria (Tatarstan) and I personally participated in them and recommended the adoption of certain steps. However, thanks be to God, the question was ultimately resolved... and matters in Tataria did not reach the stage of war... though they reached the stage of war in our case. Of course, war has changed a great deal of things. Wars always change conditions... even familiar views. But the only sound way for resolving problems without clashes is through negotiations. For this reason, matters should not be delayed for long. Elections must be held in the Republic of Chechnya as soon as possible, so that there may be a legitimate authority. A roundtable conference or negotiations could be organized in order to insure the participation of the largest possible number of people... and leave the supporters of this side or that to discuss matters with the people. The important thing is that bullets should not be unleashed and war should not breakout and people should not be killed and homes, factories, schools and hospitals should not be destroyed. This is the basic thing.

['Amarah] Will there be elections this year? President Yeltsin has spoken of next year as a date for the elections. What do you think?

[Khasbulatov] I believe that the maximum date should be this year. The President's representative, Lobov, has stated that the elections will be held next year, that is 1996. Yeltsin has stated the same thing. But I believe that this is not proper. For there is a power vacuum at present. The absence of natural authority... breeds strong concern and creates an extremely tense situation. The elections should be held as soon as possible.

['Amarah] When will you be leaving for Chechnya?

[Khasbulatov] I am expecting the shaykhs this evening and we will discuss the matter. After a few days, I shall leave for London to attend an international conference and prepare [as published] a speech about the Chechnya war. I shall stay there for about two days. I wish we could succeed in reaching agreements with all the warring sides. The people of the rural areas are particularly worried... naturally, for with the absence of a legitimate authority for three or four years, people have lost the habit of work... and anarchy has prevailed.

['Amarah] You mean that unemployment has spread in Chechnya... and that unemployment is the best fuel for tension?

[Khasbulatov] Yes, you are completely correct. Just look how construction work is proceeding. It is reported in the press that huge sums of money have been earmarked for this purpose... but the problem lies in bringing in laborers for the re-building operations from the other parts of the Russian Federation... at a time when we have a large number of laborers [in Chechnya]. Instead of making use of these laborors, laborers are being brought in even from foreign countries. Everywhere, announcements are being made over the television screens inviting laborers, architects and others to come and work in the Republic of Chechnya, at a time when we have enough manpower, architects, and all kinds of professionals.

Incidentally, the provisional government does not try to tackle these questions, as it is drowned in political intrigues... as you may see, there is a large number of federal institutions... there is the president's representative, organs of the federal authority, the National Reconciliation Committee and the provisional Government.

['Amarah] President Yeltsin has referred to other people as possible participants in the negotiations such as Doka Zavgayev [phonetic]. What do you say to that?

[Khasbulatov] He is the former Party secretary and possesses some influence. The dialogue must include all and division must be cast aside... so that we can save our people, we must start from this premise.

['Amarah] Do you meet now with representatives of General Dudayev?

[Khasbulatov] I used to meet constantly with those close to Dudayev. So many Chechens have been visiting me that I no longer could tell whom they represent. As you know, it is one of the customs of the mountain people and particularly the Chechens that when a guest comes to visit you and talk to you, he is not obliged to state his name or whom he represents... and if he mentioned these things, then you have to believe him. I believe that many of the people I met with represent all sorts of political tendencies, and I do not doubt that.

You know, and I have nothing to hide, that since I was released from Lefortovo prison I have not coordinated my stands with anyone. I went there [Chechnya] in an effort to prevent the catastrophe... but unfortunately, it happened.

['Amarah] I have been in Groznyy and I heard a complaint which I must convey to you... that you left the Chechen people to face the war alone while you stayed in Moscow. What do you say about this reproach?

[Khasbulatov] This reproach is correct and apposite. But when the war broke out, there was nothing I could do.

The people do not know what I was doing, but I did work... and wrote letters to the heads of states, governments and parliaments and explained the situation to them and asked them to help in bringing pressure to bear on the Yeltsin Government and put an end to the war. I also contacted those who support the defense of human rights and I even wrote a letter to the former U.S.President, Jimmy Carter, who is also one of the advocates of peace. When I visited Ankara and Amman, I called for the formation of an international committee for ending the war and bolstering the Republic of Chechnya. However, incidentally, the representatives of the Arab countries did not show any zeal for this call.

Later on, I spoke to a large number of journalists and explained to them the cruelty of this war and the need for putting an end to it. I have done a great deal from my place in Moscow for ending the war. The war has stopped, and naturally, my efforts had something to do with this. But not everybody in the Republic of Chechnya knows this.

Yet, the reproach is right. Now many people have been coming to visit me and to ask me to participate in the negotiating operation. But I reiterate that the views of all sides must be taken into consideration. For this reason, when I go there [Chechnya] I will not be looking for the realization of any personal aims and plans, but only so that peace may actually prevail at last.

['Amarah] When will you embark on the mediation task... or the work for achieving the desired solution?

[Khasbulatov] I am preparing myself for this... naturally. I receive delegations here, send out letters and carry out telephone contacts. So it can be said that I have already begun my involvement in the operation. I shall go to Groznyy, of course, and I shall tour the various towns and villages and invite people to come there as I shall also invite people to go to Moscow.

['Amarah] It has been reported that you will be meeting with Oleg Lobov, the personal representative of Yeltsin in Chechnya. Is this true?

[Khasbulatov] Naturally, we must meet. I have watched Lobov talking on the television, but I cannot agree with many of the things he has said with regard to the tackling of the crisis. For example, he says that the elections must be started from the bases... in the villages, regions and cities... and after that elections would be held for the various organs of authority in the republic. But he did not specify who will carry out this task... and who will prepare the laws and enforce them.

These are weak stands. He also says that the deputies must be elected for the Duma. But if talk touches on the Duma, then reference should be made to the existence of some sort of treaty. So when candidates start to be put foward, people will start to express their resentment because there is no treaty... then which candidate would like to become a deputy in the federal parliament...he mentioned the name of Doka Zavgayev, while Zavgayev has consented to run for electiuon as a representative of the "Russia Is Our Home" bloc. This means that Zavgayev has been acting as though the matter [of his nomination] was settled.

There is yet another person in the National Reconciliation Committee by the name of Mukhammadov... who expressed consent to his being nominated as a candidate of the Communist bloc. This was published in the press. But such actions will lead to clashes. The question here is not one of boycott of elections, but of a true understanding of the case..I am not talking about Tatarstan now... and let us take the question of elections... let us assume that a section of the regions have approved of the holding of elections while another section did not. This will lead to a new clash on the level of the regions in the Republic of Chechnya, with each side accusing the other of wanting to join Russia. Thus when one does not know the true situation, he can bring harm to the cause and not help it.

I do not want the representatives of the federal authorities to commit such mistakes.

['Amarah] What do you think of the formation of the "Union of Muslims of Russia" which plans to contest the elections and which includes Chechen elemednts?

[Khasbulatov] It is very difficult to say who the organizers are and what their motives are. I know nothing about this union. I think it is better not to make any comment. This is because in the past such organizations were, unfortunately, overseen by the security departments.

['Amarah] But your compatriot, Mahmud Isam Bayev, the Chechen dancer, heads the list of nominees of the "Union of Muslims of Russia" candidates for the parliamentary elections. What do you say to that?

[Khasbulatov] He is a talented and great artist. We love him and he has many admirers in the various countries. But he is only an artist.

['Amarah] Prime Minister Viktor Chernomyrdin refused to meet with you when the idea of holding such a meeting was proposed to him. How do you view Chernomyrdin's attitude toward the Chechnya settlement?

[Khasbulatov] First of all, we all have seen how Chernomyrdin has conducted the negotiations with Shamil Basayev...and how he declared his commitment to peace...which I welcome. But I know also that he was the one who provided Khadzhiyev with tanks in return for his signing of a receipt for them. Anyway, what has happened has happened and is done with. As long as Chernomyrdin, in his capacity as prime minister, was moving along the road to peace, we have to support him.

Sverdlovsk Oblast's Rossel Begins Forming Cabinet

MK1609125095 Moscow SEGODNYA in Russian 16 Sep 95 p 2

[Report by Irina Vladykina from Yekaterinburg: "Eduard Rossel Has Started Forming His Cabinet. 'Transformation of the Homeland' Is To Hold Its Congress in Yekaterinburg on 23 September"]

[FBIS Translated Text] Sverdlovsk Oblast Governor Eduard Rossel has begun forming a government. As is known, until recently the government consisted only of Valeriy Trushnikov, its head. Following consultations with Trushnikov, the governor appointed the first five heads of governmental committees on 13 September. The Committee for the Economy and Consumer Market will be headed by Sergey Chemezov, former head of Kamenskiy Rayon; the Committee for Culture, Education, Young People, and Sports Issues, by Vladimir Krysov, former administration head in the town of Krasnouralsk; Vladimir Kuzmin, an aide to Valeriy Trushnikov, is to head the governmental staff; Valeriy Cherdantsev, the only official of Aleksey Strakhov's staff thus far to have sided with "Rossel's team," will supervise construction issues from now on, and his position on the Committee for the Economy has been passed to a former aide to Aleksey Strakhov, Galina Kovaleva, who submitted her resignation in connection with the "aluminum case."

The process of the government's formation is continuing, though not without difficulty. Thus, at the latest session of the Oblast Duma, the government chairman was advised to file a request for the State Committee on the Administration of State Property to consider the issue of the professional competence of Vladimir Vaulin, chairman of the oblast's state property committee. At the same session, a commission of deputies was set up to scrutinize the activity of the Sverdlovsk State Television and Radio Company (SSTRC) during the gubernatorial election. According to the Oblast Duma, Vladimir Kostousov, SSTRC head, has violated federal and oblast legislation. In the event the commission manages to prove the allegation, the SSTRC will possibly be headed by someone else. The Oblast Duma, however, is only authorized to voice its recommendations on replacing the television and radio company administration.

The date when the congress of the "Transformation of the Homeland" electoral bloc is to be held has become known. Likewise, it has been revealed that Vladimir Shumeyko, chairman of the Federation Council, who has been invited to the congress and is due to arrive in Yekaterinburg on 23 September, promised "to size up the new bloc carefully."

The congress will hammer out the federal and regional lists of candidates to the State Duma from the "Transformation of the Homeland" election bloc.

Sobchak, Governors Criticize Local Self-Government Law

MK1609093595 Moscow SEGODNYA in Russian 15 Sep 95 p 2

[Report by Mikhail Lantsman: "Anatoliy Sobchak Is Worried Over Local Self-Government. Independent Municipalities Could Run Into Budgetary Problems"]

[FBIS Translated Text] The law on local self-government, signed by the president last week, is prompting objections among some Russian governors. In accordance with this law, leaders of Federation components, being deprived of the right to appoint administrative heads of municipal entities, lose substantial power functions. Under this law, the local populace vests elected heads of municipalities with the right to impose and collect local taxes, manage available housing and uninhabited premises, and oversee the systems of education and health care and law-enforcement agencies. At the same time, the law forbids restricting the constitutional rights of local self-government, whoever might impose these restrictions.

Meanwhile, St. Petersburg Mayor Anatoliy Sobchak subjected the law to harsh criticism. In his words, "this law will bring nothing but chaos to the country." "It takes centuries to build local self-government; it cannot be instituted overnight by a law or edict," he said.

Everything seems to indicate that Russian governors are not yet ready for a new redistribution of property. Vasiliy Tarasenko, chairman of the Committee for Federation Affairs and Regional Policy in the Russian parliament's upper house, said in a recent interview with ITAR-TASS that "the process is sluggish" because of differences between regional and municipal authorities and that "the center's stimulating action" is needed for this law to be introduced universally. In his opinion, without this law, the Russian Federation Constitution's provisions on the rights and freedoms of man and citizen cannot be implemented.

In Mr. Tarasenko's words, the federal law establishes only general principles of local self-government, and regional authorities are given three months to adjust it to their local historical and ethnic traditions. In turn, the St. Petersburg mayor told reporters that he is ready to accept the law only if Federation components can themselves determine the structure and rules for the functioning of local self-government agencies. He threatened that St. Petersburg's suburbs — Pushkin, Pavlovsk, Kolpino, and Lomonosov — which have always had problems funding their municipal services, can count on only 10 percent of the present budget when they become fully independent.

Election Campaign in Samara Constituency Viewed

MK1509112095 Moscow OBSHCHAYA GAZETA in Russian No. 37, 14-20 Sep 95 (Signed to press 13 Sep 95) p 5

[Report from Samara by Arkadiy Solarev: "Centrists March at the Back of the Column"]

[FBIS Translated Text] The rivalry between the parties and blocs contesting Duma seats in the federal constituency is nearly completely absorbing the attention of the press, sociologists, political pundits, and, therefore, the public. They simply run out of curiosity to take an interest in what is going on in the 225 single-seat constituencies. It is believed that over there, in the provinces, the candidates are "namby-pamby," their contest is not that spectacular, and electoral tactics are primitive. This is, most probably, just a hypothesis. At any rate, it would be advisable to cast a glance at what the "unknown elections" really look like. For this purpose, OBSHCHAYA GAZETA has chosen a "model constituency" — Promyshlennyy Constituency No. 152 of the city of Samara — and plans to keep track of the election campaign in it from the registration of candidates to the announcement of the winner.

Today we offer the first story from Samara.

The key contenders vying for a seat in the next State Duma from the 152nd constituency have already been named. These are Retired General Albert Makashov; Vladimir Shorin, former committee chairman at the Russian Supreme Soviet and, before that, head of the Samara Aviation Institute; German Shatskiy, an entrepreneur; and Boris Gusev, hetman of the Volga Cossacks. They are all well known in the city; they have many supporters, so their fight for votes promises to be fierce.

Most of Samara's defense enterprises are located in the district. They are all in dire straits: Some work short weeks, and others do not pay wages for months because they, in turn, are not paid by the Defense Ministry. Naturally, the popular mood is depressed. In all likelihood, the people will vote for the candidate who turns out to be the harshest critic of the authorities. The list includes two tough critics: General Makashov, who was nominated by the communists, and Colonel Boris Gusev, whose candidacy was put forward by the local branch of the Congress of Russian Communities. This is not a wide choice, to be honest. Vladimir Shorin, too, has certain chances, however: This district houses a number of aviation enterprises employing aviation institute graduates who have not yet forgotten their former chief, even though he has moved from Samara to Moscow.

German Shatskiy, an independent candidate backed by the "Russia, a Presidential Republic" party, which, as a matter of fact, originated in Samara, is unlikely to succeed. Shatskiy is known in the city for his charitable projects, but this is hardly sufficient for big-time politics. He recently ran for the oblast duma and failed. On a local television program in March of this year, State Duma Deputy Mark Feygin accused Shatskiy and Yuriy Borodulin, presidential representative in Samara Oblast, of being involved in murky dealings with the money of the territorial mandatory health insurance fund. The court found these charges groundless, but Feygin's allegations are still fresh in Samara residents' minds and will apparently hurt Shatskiy's campaign effort.

Curiously, there is no NDR ["Russia Is Our Home"] nominee among the candidates running in the 152nd constituency. Although Samara [Oblast] Governor Konstantin Titov is one of the "center-right" bloc's leaders and is considered a model "Our Home" activist, the bloc does not enjoy particular popularity in his oblast. According to the local branch of the All-Russia Public Opinion Study Center, the group of eight leading parties, as seen by the public, looks as follows: the Communist Party of the Russian Federation, "Women of Russia," the Liberal Democratic Party of Russia, "Yabloko," the Agrarian Party, "Forward, Russia!," Russia's Democratic Choice, and Svyatoslav Fedorov's People's Self-Government Party. "Russia Is Our Home" trails at the back of the pack, sharing the ninth and tenth places with Rutskoy's "Derzhava."

More than half of Samara respondents, however, have not yet sorted out their preferences. Their line of conduct is easy to forecast, though, because the poll also revealed a growth of conservative trends in society. When asked "During which years were you best off?" half of those polled chose the answer "in the late 1970's-early 1980's," while another 23 percent went for "in 1985-1991."

Local NDR Delegates Discuss Congress

954F3455A Novosibirsk VECHERNIY NOVOSIBIRSK in Russian 12 Sep 95 p 2

[Article by Dmitriy Gorbachev: "Somebody Will Take Out the Litter from 'Our Home'"]

[FBIS Translated Text] A news conference was held by the Novosibirsk members of the second congress of the sociopolitical movement Russia Is Our Home [Nash Dom Rossiya—NDR].

Oleg Gonzharov, Dmitriy Ryabov, and Nikolay Pavlov informed the journalists that the congress nominated candidates from the NDR for deputy to the State Duma and examined the movement's program. Decisions on the candidacies for the federal list were made by the NDR executive committee, to which not only was the press not allowed, but also rank and file members of the congress. The list was headed by Viktor Chernomyrdin, Nikita Mikhalkov, and General Lev. But out of 12 candidates, at least four or five turned out to be absolutely unknown to an overwhelming majority of the delegates. Also noteworthy is the fact that eighth place on the list was held by Nikolay Travkin, who was included there instead of Sergey Shakhray, who left the NDR structure.

This composition of the list was a big surprise for members of the congress. Especially since they were not allowed to present their own opinions on this question, after being informed that everything had already been decided. Nikolay Travkin wanted to answer comments from the hall, but he also was not given the floor. Out of five candidates for deputy on the federal list from our oblast, three ended up on the final edited list: Oleg Gonzharov, Boris Prilepskiy, and Viktor Nozdryukhin. A lot was said about the departure from the NDR of Sergey Shakhray and the PRES [Party of Russian Unity and Accord]. Both Oleg Gonzharov and Dmitriy Ryabov are members of the local branch of the PRES, and therefore their position has turned out to be somewhat duplicitous. The PRES council decided that all candidates from the NDR for the State Duma who are members of the PRES will go under the flag of the NDR as previously. All party members also have a choice of which of the organizations to remain in. Meanwhile, Sergey Shakhray subjected the NDR to sharp criticism, comparing the movement with an assembly of shareholders of the ZhSK [housing construction combine], who talk incessantly and cannot engage professional plasterers and painters, but have already divided up the future apartments. Shakhray noted that the NDR has been reborn and is no longer a centrist organization. At the same time the slogans and objectives of the PRES and the NDR are rather close. However, the NDR was transformed from a public political movement specifically into a party, and the PRES, which was initially the backbone of the movement, was dissolved in it.

Voting for the federal list of the NDR did not turn out to be unanimous by any means. Some of the regional delegates of the congress, vexed by the secrecy in compiling the list and by individual candidates, and this most of all referred to Nikolay Travkin, decided jointly to vote against the list. It is exactly this way that the delegation of our oblast also voted.

Hardline Communists Seek Support in Hinterland

LD1609195095 Moscow ITAR-TASS in English 1944 GMT 16 Sep 95

[By Nelli Grigoryan]

[FBIS Transcribed Text] YAROSLAVL, September 16 (Itar-Tass) - Russian communist hardliner Sazhi Umalatova announced the establishment of a local branch of the Union of Popular Resistance to the Ruling Regime in the city of Yaroslavl on Saturday.

Speaking at a meeting with her potential voters, Umalatova urged them to support the intransigent opposition and made it clear that the opposition hopes for the support of the Russian hinterland.

Economic Issues

Share Sales Designed To Boost Budget Revenue

MM1909092695 Moscow ROSSIYSKIYE VESTI in Russian 16 Sep 95 Saturday Edition p 3

[Article by Alfred Kokh, acting chairman of the Russian State Committee for the Management of State Property: "State To Sell Blocks of Shares"]

[FBIS Translated Text] Don't worry, citizens, our government is not planning to directly sell off state property indiscriminately right and left. The list of enterprises needed to maintain national security is currently being drawn up — these will remain in state control. We are talking about approximately 400 defense complex plants, military motor pools [avtokolonna], and transport enterprises shipping goods to the Far North. There will be around 3,000 installations on the list in total. All the others will be privatized on a common basis.

Our department has been criticized (generally from above) for the fact that phase two of privatization has not been bringing the treasury the expected proceeds, thereby exacerbating the budget deficit. Yes, the State Committee for the Management of State Property [GKI] and its territorial organs will have to put on the pressure in the months remaining to the end of the year. All the more so as all the preparatory work has already been done. The budget will be replenished from three main sources. I will name them in order.

First and foremost, there are interregional monetary auctions. These will be held under the direct patronage of the GKI itself. The idea long nurtured by the GKI leadership of selling off those blocks of shares which can currently be sold for a high price will finally come to fruition. The fact that select blocks of shares meet this criterion is convincingly demonstrated by the auctions we have held (as an experiment). Two blocks of shares were on offer — 1.2 percent in the "YeES" Russian Joint-Stock Company and 0.9 percent in "Rostelekom." We were able to sell them at a price 50 percent higher than the over-the-counter price. The enterprises selected included the well-known "Lukoil," "Yukos," and "Sidanko" companies, 10 percent of the shares in the "YeES" Russian Joint- Stock Company, 45 percent in "Svyaz-invest," and large blocks of shares in metallurgical and chemical plants, and in forestry holding companies.

The second source was opened up by the Russian Federation Presidential Edict "On the Procedure for Mortgaging Federally Owned Shares." The president gave the "green light" to the idea, put forward by a consortium of banks, that had already been discussed by business circles for six months. The idea is that the banks give the government a large loan secured against federally owned enterprise shares. The initial plan for the "mortgage loan" has undergone certain changes, but the overall picture remains the same. The essence of the changes is that the GKI has managed to bring a very strong element of competition to the plan.

Why is the GKI pinning a great deal of hope on the success of such auctions and tenders? Remember how the current situation on the financial market came about. Following the introduction of the exchange-rate band, the ability of the banks to speculate on currency rates was considerably reduced; consequently they are seeking other ways to use their capital. Incidentally, this is not the main point. Far more important is the principle of selecting the blocks of shares to be used in tenders. Many of them are not very liquid at the moment, but they have tremendous growth potential.

This also makes them particularly attractive to financiers. After all, the bank that wins the tender will subsequently be entitled to act as agent. In other words, it will itself sell the blocks of shares it temporarily owns. If during its period of ownership the bank manages to realize the great potential of the enterprise, the share price will increase considerably. The bank will use part of the sum raised to redeem the loan. The sum outstanding will be applied to the budget — not wholly, but after deducting the sizable commissions that are the bank's income.

Financiers know how to calculate and they believe in their own strengths, consequently it is clear to many of them how profitable a deal like this could be. It would also benefit the state. There have been plenty of offers to participate in the tenders. All the more so as this right is granted not only to Russian banks but to foreign banks too — and not just to banks, not just to purely financial structures, but to any structures with a sizable amount of capital.

The third source is regional monetary auctions, the plan for the staging of which was ratified by the GKI back in May. And although there is currently a certain amount of concern about implementation of that plan, I am confident that most of the planned funds will be raised.

Unfortunately, privatization has too many enemies. They would be unhappy about the GKI's work under any circumstances. When state property was given away in return for vouchers, these opponents criticized the GKI for squandering the people's assets. Now when monetary auctions are being held and blocks of shares are expensive, those same opponents are angry that the people are not getting the property. If the GKI slows down the sales it is accused of inaction. If it speeds them up, it is accused once again of squandering assets.

The GKI's activities do not cause any rejoicing at sectoral ministries and committees either. The sale of previously state-owned blocks of shares deprives them of their ability to directly influence enterprises' operations. Participation by their representatives on boards of directors strikes them as insufficient. And in general the situation is developing in such a way that it is becoming increasingly clear that Russia can make do without sectoral administration.

Also unhappy about the current method of privatization are those joint-stock companies which are dominated by a single shareholder. So as not to expose their capital to unnecessary risk, they will insist that the 20-percent blocks held by the state be sold at investment tenders. But experience shows that this method not only fails to ensure significant budget revenue but actually does not produce any investment for the enterprise.

I am confident that there is every opportunity of carrying out the government's instructions by the end of the year — to remit 8.7 trillion rubles in privatization proceeds to the budget.

Banks Not Interested in Floating Securities Abroad

MK1909055495 Moscow SEGODNYA in Russian 16 Sep 95 p 3

[Unattributed report: "The Central Bank of Russia Is Not Obstructing the Issue of Russian Bank Shares Abroad"]

[FBIS Translated Text] The Russian Central Bank at present is not considering applications by commercial banks for the issue of their own shares on Western markets with the help of the ADR (American Depositary Receipts) mechanism. This was announced by Central Bank Deputy Chairman Andrey Kozlov. He said that Russian banks are not showing a particular interest in floating their securities abroad. As of today only two Russian banks (AvtoVAZbank and Inkombank) have applied for permission to deposit their own shares. These banks, Andrey Kozlov said, received permission to issue ADR's approximately two months ago.

At present the Central Bank is fine-tuning a tentative mechanism for the issue of ADR's by Russian issuers. (Earlier it was incorrectly reported that the Central Bank is working out regulations on procedures fo? ADR issuance). "We examine matters pertaining to the liberalization of exports/imports of capital regulated by current legislation (comments by the Supreme Court "On Violations in the Sphere of Currency Regulation")," Kozlov said.

Soskovets Mulls Turning AZLK Car Plant Over to Toyota

MK1909075995 Moscow KOMMERSANT-DAILY in Russian 16 Sep 95 pp 1, 2

[Report by Vladislav Borodulin: "Oleg Soskovets Prefers Japanese-Style Management"]

[FBIS Translated Text] Recently, the Russian Government has not tired of demonstrating its ability to embrace novelties in its economic policy. Yesterday, First Deputy Prime Minister Oleg Soskovets proposed that Toyota, a Japanese car manufacturer, take over management of the AZLK [Lenin Komsomol Automobile Factory]. Despite the somewhat skeptical reaction of the Moscow-based car plant's managers, this event fully deserves to be called the news of the day: The government has officially recognized the incompetence of the AZLK's top managers and has decided to resort to methods that have already been widely used in Kazakhstan.

Strictly speaking, Oleg Soskovets only suggested at a meeting with representatives of the Japanese business community that they "contemplate the possibility of turning the AZLK over to Toyota for trust management." An official proposal could possibly be made at a meeting of the Russian-Japanese intergovernmental commission on trade and economic cooperation. Perhaps this is what prompted the AZLK management's skepticism. According to Aleksey Kholodov, adviser to the general director of the "Moskvich" joint-stock company, Oleg Soskovets' proposal that representatives of Toyota be involved in managing the plant is general in nature and does not entail an immediate change of management. In all likelihood, the plant spokesman concluded, this project will not be realized at all.

Come what may, Oleg Soskovets managed to open a new page in the Russian authorities' industrial policy: not just to create incentives for foreign investment (Japan's Eximbank is ready to give $400 million for "the AZLK project" and another $500 million if the trust contract materializes), but also to encourage the influx of foreign managers at the state level. There are more than enough reasons for doing so. The AZLK, exploiting federal and municipal authorities' favorable disposition, has managed to obtain financial assistance on a considerable scale.

The situation at the plant has still not been normalized, however. The car plant, which has been standing idle for a month now owing to a lack of current assets, will probably resume car production on 18 September, but according to General Director Yuriy Borodin, "Moskvich" will only be able to operate on a stable basis until the end of the month, after which it will once again have to rely on assistance from the Russian and Moscow Governments. Presently, the car manufacturer needs $50 million — this sum would help it pay the cost of purchasing equipment and car parts, and also to repay debts to supplies, to whom "Moskvich" currently owes 10 billion rubles.

Evidently, it is too early to talk about a specific mechanism for turning the AZLK over for trust management, all the more so because the AZLK is a place where the interests of the federal government and Mayor Yuriy Luzhkov cross. Nor should one forget about the current AZLK management — the plant director may well refuse to put up with an honorary pension as leader of the Moscow branch of "Russia Is Our Home." It is quite possible, however, that the corresponding experience of Kazakhstan may be applied. A case in point is the contract on turning the state-run "Ulba" holding over for management to the "Interros" financial-industrial group; under the contract the government will effectively retain only supervisory functions.

Vladimir Yudin Likely Candidate To Head 'Sibneft'

MK1909055595 Moscow KOMMERSANT-DAILY in Russian 16 Sep 95 p 9

[Unattributed report: "A Candidate for Sibneft President Has Come Forward"]

[FBIS Translated Text] Leonid Roketskiy, head of the Tyumen Oblast administration, held a press conference in Tyumen devoted to a tour of the region by a large group of Moscow bosses led by First Deputy Premier Oleg Soskovets. Roketskiy in particular spoke about the great impression produced on the Moscow guests by a visit to one of the region's leading enterprises, the Tobolsk Oil Chemical Combine. In this connection he noted that Vladimir Yudin, president of this joint-stock company, is being tipped as head of the Tyumen Oil Company that is in the process of being created. As is known, until now it was thought that Tyumenneftegaz Director Yuriy Vershinin would be its president. The Tyumen governor believes that Yudin's appointment as Sibneft president is just as likely, especially given that earlier he was director of the Omsk Oil Refinery, which later merged with it.

'Russian Business Roundtable' Drafts Ethics Charter

MK1909084695 Moscow KOMMERSANT-DAILY in Russian 16 Sep 95 p 9

[Unattributed report: "The RBR Has Drafted a Russian Business Charter"]

[FBIS Translated Text] Yesterday the "Russian Business Roundtable" [RBR] central office circulated a press release saying that a draft Russian Business Charter will be submitted to the Second Congress of Russian Entrepreneurs. The idea of adopting this document emerged among RBR members after the tragic death of bankers Oleg Kantor and Ivan Kivelidi. If the charter is adopted, everyone who signs the document will assume the following open-ended obligations: to refrain from violence or the threat of violence as a means to achieve one's own aims or in the interests of third parties; not to resort to unscrupulous business practices involving deceiving and knowingly harming one's client, falsifying the quality of goods or services provided, and reporting false information about one's self, one's organization, or one's partners; not to engage in, promote, or encourage others to take part in criminal forms of business activity causing harm to society and/or the environment, nor in the laundering of the proceeds from said forms of business activity or funds of illegal or dubious origin from the point of view of business ethics. Sanctions, "including boycotts," are envisioned against those who violate their obligations.

New Economic Weekly Announced

954F3458A Moscow ARGUMENTY I FAKTY in Russian Sep 95 No 37, p 5

[Unattributed article under the "Advice" rubric: "INTERFAX-ARGUMENTY I FAKTY Recommends"]

[FBIS Translated Text] If one wants to think seriously about how to use all the legal means of increasing one's capital to the greatest advantage and how not to let oneself be deceived by hustlers, we would recommend as a beginning the new weekly INTERFAX- ARGUMENTY I FAKTY, which began publication this year.

It is possible to subscribe today in any branch post office of the former USSR through the catalog of ARGUMENTY I FAKTY. Subscription index—32129 with delivery to any city in Russia or the CIS. The newspaper comes out on Mondays but retail sales are extremely limited. But if you sign up for INTERFAX-ARGUMENTY I FAKTY in September, the delivery of your newspaper will begin next month.

INTERFAX-ARGUMENTY I FAKTY is the first to publish complete texts of the freshest and, as it were, "fateful" documents, including: the "Statute on the Procedure for Disclosing Information on Banks and Other Credit Organizations," President B. Yeltsin's edict "On the Procedure for Transferring in 1995 the Pledge of Federally Owned Shares," and also a number of other extremely important legislative acts which any serious bookkeeper or entrepreneur needs.

International Affairs

OSCE's Van Der Stoel Visits for Talks, Roundtable

LD1809152095 Kiev UNIAR in Ukrainian
1145 GMT 18 Sep 95

[FBIS Translated Text] Kiev — OSCE High Commissioner on National Minorities Max van der Stoel is on a visit to Ukraine from 17-23 September. It is planned that he will meet with the Ukrainian president [Leonid Kuchma], the Supreme Council chairman [Oleksandr Moroz], and Volodymyr Stretovych, chairman of the Supreme Council Standing Commission for Legal Policy, Court and Legal Reform. The OSCE high commissioner will continue to study the situation in the Autonomous Republic of Crimea.

Ukraine's Foreign Minister Hennadiy Udovenko today met with Max van der Stoel. The two men discussed the issue of holding a "roundtable" on the repatriation of nations once deported from Crimea. The "roundtable" will be held in Yalta on 20-22 September under the auspices of the Organization for Security and Cooperation in Europe. The first such "roundtable," devoted to the general situation in Crimea, was held in Locarno (Switzerland) in May this year. The Ukrainian foreign minister said that more than 250,000 Crimean Tatars had already returned to Crimea with the assistance of the Ukrainian state.

Udovenko familiarized Max van der Stoel with the current political and socioeconomic situation in Crimea and with the progress of democratic transformations and economic reforms.

Representatives of the central bodies of power of Ukraine, the Republic of Crimea, as well as scholars and OSCE observers have been invited to attend the "roundtable."

Yalta Roundtable on Deportees 'Significant'

LD1809181695 Moscow INTERFAX in English
1625 GMT 18 Sep 95

[FBIS Transcribed Text] Kiev, September 18 (INTERFAX-UKRAINE) — Ukraine's leadership attaches much significance to the round-table on problems involved in the return and settlement of once deported peoples due to open in Yalta on Tuesday, "IF-U" was told by Ukrainian Foreign Minister Hennadiy Udovenko after his meeting with OSCE High Commissioner for the affairs of national minorities Max Van der Stoel in Kiev on Monday.

According to the Ukrainian foreign minister, the Yalta round-table is some kind of a follow-up to the round-table in Locarno (Switzerland, May, 1995). The main subject of the Locarno meeting was a settlement of legal differences between Kiev and Simferopol.

The foreign minister stressed that the question of settlement of the Crimean Tatars is of "special significance" to Ukraine. In his words, more than 250 thousand Crimean Tatars have returned to Crimea by now.

Udovenko recalled that Ukrainian President Kuchma had addressed Russian President Boris Yeltsin as the Head of the Commonwealth of Independent States with the request that the question of the deported peoples be incorporated into the agenda of the next CIS summit.

Udovenko also said that he had addressed his colleagues in the CIS countries with the request that they assist towards the speediest possible ratification by their parliaments of the Bishkek agreement on the repatriation of the once deported peoples.

The Yalta round-table, Udovenko said, will be attended from the Ukrainian side, apart from the Crimean leadership, by delegations of the Foreign Ministry and the Ministry for the Affairs of Nationalities, Migration and Religion. The Foreign Ministry's delegation will be led by Deputy Minister Volodymyr Handogiy.

Kuchma, OSCE Official Discuss Constitution

LD1809205795 Moscow ITAR-TASS in English
2032 GMT 18 Sep 95

[By Marina Tarnavskaya]

[FBIS Transcribed Text] Kiev, September 18 (ITAR-TASS) — "Despite certain disagreements between various political forces in the parliament we will be able to reach the goal and expect to have a draft new constitution prepared by commissions already in October," Ukrainian President Leonid Kuchma said during his meeting with the Organisation for Security and Cooperation in Europe's High Commissioner on National Minorities Max van der Stoel who arrived in Ukraine on a visit on Monday.

During the meeting which was held behind the closed doors, Kuchma and van der Stoel discussed the constitutional process in Ukraine, problems related to the development of a new constitution of Crimea and its compliance with Ukraine's future constitution, as well as the return of Crimean Tatars.

Earlier today, Max van der Stoel, who arrived in Ukraine to study the situation in and around Crimea, had talks with Ukrainian Foreign Minister Hennadiy Udovenko who informed him about the situation in the country and Crimea. "We discussed the problems facing deported peoples, including Crimean Tatars, over 250,000 of whom have already returned," he said.

"We also talked about the Black Sea fleet and the social and political situation in Crimea in general. All these aspects affect not only the situation in Ukraine, but also our relations with Russia," the minister noted.

Max van der Stoel will chair a round-table meeting in Yalta between September 20-22 to discuss the return of deported people to Crimea. This will be the second such meeting organised by the Organisation for Security and Cooperation in Europe (OSCE). The first round-table discussion was held in Switzerland last May.

In a brief interview with the press, Max van der Stoel pointed out that his meeting with Udovenko was a constructive one.

During his stay in Kiev, the OSCE commissioner is expected to meet Ukrainian President Leonid Kuchma and parliament speaker Oleksandr Moroz.

UN Envoy Addresses Security Council on Belgrade Sanctions

WS1909075395 Kiev INTELNEWS in English 0352 GMT 19 Sep 95

[By Valeriy Druzhenko, "Special to INTELNEWS"]

[FBIS Transcribed Text] Kiev, Sep 18 — The Foreign Ministry is decidedly upbeat for a change about developments in the former Yugoslavia, particularly over the suspension of NATO bombings in the wake of Bosnian Serbs' agreement to withdraw their heavy weapons out of a 20-kilometer zone around Sarajevo.

The United Nations Security Council voted Friday in New York to suspend until March 18 against the Yugoslavian Republic, a rump federation which includes Serbia and Montenegro.

Civil aviation flights to Belgrade and ferry service with the Italian city of Bari will now be permitted, according to the Foreign Ministry. In addition, restrictions have been lifted on Yugoslavian participation in sports and cultural activities, according to the ministry.

Speaking at the session, Ukraine's permanent representative to the UN Anatoliy Zlenko said that lifting sanctions against Yugoslavia is an integral part of the political conciliatory process in the Balkans.

Ukraine's representative said that prolonging of severe sanctions against Yugoslavia could be counterproductive as the republic's leadership has serious intentions to restore peace in the region and proposed the council gradually abolish sanctions against the republic.

In his speech, Zlenko reaffirmed an invitation by President Leonid Kuchma to the leaders of Serbia, Croatia and Bosnia to a Kiev summit on the Yugoslavian conflict, adding that Ukraine is ready to act as a mediator in the peace process.

Russia Seen Acting in Bad Faith on Base Transfers

MK1909073295 Moscow KOMMERSANT-DAILY in Russian 16 Sep 95 p 4

[Unattributed POSTFACTUM report: "The Black Sea Fleet and the Ukrainian Navy Have Problems Again"]

[FBIS Translated Text] The transfer of the Donuzlav base to the Ukrainian Navy has been put on hold pending resumption of work by Russian and Ukrainian experts on the division of the Black Sea Fleet, said Nikolay Savchenko, head of the Ukrainian Navy Press Center, yesterday. According to him, the Black Sea Fleet command refuses to proceed with a "civilized scheduled transfer of military cantonments" that the Russian fleet is abandoning, and is doing everything to discredit the Ukrainian Navy. Meanwhile, equipment and military hardware are being expeditiously withdrawn from bases slated for transfer to Ukraine. In particular, according to Savchenko, all hardware, equipment, and fuel have already been evacuated from the town of Mirnoye (Donuzlav).

Seminar To Discuss Conventional Weapons Conversion

WS1909093695 Kiev INTELNEWS in English 2256 GMT 18 Sep 95

[FBIS Transcribed Text] Kiev, Sept. 17 — An international seminar on conventional weapons dismantling and transformation (into other safe uses), organized jointly by the NATO Scientific Committee, Ukraine's National Academy of Sciences and the Ukrainian branch of the World Laboratory, began Sunday [17 September] in Kiev, organizers said.

Viktor Baryakhtar, NAS vice president, will act as seminar co- chairman. The other co-chairman, Teo Rosendorfer, represents EST Entsorgungs und Saniergungsteknik GmbH, Germany. The event is attended by about 50 scientists from Ukraine, Germany, Netherlands, Belgium, France and the United States. Among participants are representatives of different scientific centers throughout Ukraine and the world, including the Ukrainian Defense Ministry, Lockheed corporation (US), and the US Naval center at Indian Head.

The seminar topics include the process of demilitarization and use of dismantled weapons and components for peaceful use as well as ecological storage and disposal, both from theoretical viewpoint and from position of experience already gained by participating countries. The major fields covered are procedures to render safe and dispose of explosives and rocket fuels. Many of suggested technologies can greatly decrease the cost or even turn dismantling into profitable business.

For example, substances derived from rocket fuel from dismantled missiles can be used in some chemical compositions to make medicines and other peaceful chemical products. Also, the problems of disposal of military hardware are to be covered.

The seminar is scheduled to last for three days and will finish on Tuesday.

National Affairs

Foreign Ministry Affirms Ukraine's Neutrality

LD1809200595 Kiev UNIAR in Ukrainian
1820 GMT 18 Sep 95

[FBIS Translated Text] Kiev — Commenting at UNIAR's request on Russian President Boris Yeltsin's edict on strategies for building relations between Russia and CIS countries, Yuriy Serheyev, a member of the Collegium of the Ukrainian Ministry of Foreign Affairs and head of the ministry's Information Directorate, said that "this serious document" was under consideration by Ukraine's Foreign Ministry. According to Yuriy Serheyev, one can now already say that with regard to some provisions of the edict, Ukraine's stance remains unchanged, first and foremost, regarding its nonaligned status and the unacceptability that a provision on protecting the common international borders of the CIS could be adopted.

"For us the only borders are the state borders — to reject them and to accept 'transparent' borders within the CIS will mean a rejection of previously proclaimed principles," Yuriy Serheyev said. He cited existing legislative enactments that define the state's nonaligned status and, by the same token, the state's attitude to NATO and other systems of collective security that are being proposed. "Jealousy and sentiments with regard to Foreign Minister Hennadiy Udovenko's trip to NATO's headquarters are groundless as we are restricted by a legislative basis," Yuriy Serheyev said.

At the same time, Yuriy Serheyev did not exclude the possibility that some other provisions of Boris Yeltsin's edict could be considered. According to him, as yet there were no reports on the reactions of other CIS members countries to this edict.

Crimean Conferences Underscore Ideological Differences

WS1909085595 Kiev INTELNEWS in English
2256 GMT 18 Sep 95

[By Oleksandr Pilat, "Special to INTELNEWS"]

[FBIS Transcribed Text] Simferopol, Sept. 17 — Conferences held over the weekend in the Crimean capital of Simferopol underscored the ideological clash between those who would like to see the peninsula united with Russia and those favoring continued Ukrainian sovereignty over the area.

The peninsula, with its overwhelmingly ethnic Russian population, was transferred from Russia to Ukraine by Soviet leader Nikita Krushchev in 1954. Although a majority of its inhabitants voted for Ukrainian independence in 1991, economic hard times have led to increasing calls for Russian affiliation.

The situation reached a head last year, when the region, designated as an autonomous republic within Ukraine, elected a pro-Russian president and gave him a solid majority in Parliament.

The pro-Russian movement splintered later that year, driven by a conflict between then-Crimean President Yuriy Meshkov and the republic's Parliament.

One more attempt to revive the Crimean-Russian idea in the peninsula was made on Saturday, this time by the Association of the Crimean Compatriots which conducted an organizing conference.

Organizational committee Chairman Valeriy Averkin, who is the publisher of MESHCHANSKAYA GAZETA, a newspaper having a clearly pro-Russian bent, said that, "since the previously active Republican Party of Crimea and the Republican Movement of Crimea have disintegrated, we decided to form a new organization."

However, the political movement received a major blow over the weekend, when Averkin announced that its efforts to unite with the 50,000-strong Communist Party, the peninsula's largest political organization, were met with rebuff.

"Crimean communist party leader Leonid Grach said that the party he is a head of is integrated into the Communist Party of Ukraine and, though it stands for revival of the USSR, it, nevertheless, cannot be included to the Association of Crimean Compatriots," Averkin told 32 delegates who attended the conference from 16 areas of Crimea, including Sevastopol.

Many at the conference longed for the "glory days" of the lost Soviet empire. "We (Russians) have given up

Eastern Europe, given up the Baltic countries, and given up Ukraine, so what on the earth have we got to do — go to Siberia?" said Mikhail Shabanov, chairman of the Russian community of Kerch.

The group gave as its main goal "uniting the Soviet people to restore the USSR," vowing "fight for signatures collection in Ukraine to conduct referendum according to the Belarus model," and a work on "giving the Crimean people the Russian citizenship."

The group also designed a flag: a red cloth with an image of Jesus Christ in its center.

Meanwhile, on Sunday, the Crimean Prosvita Society, a nationalistic Ukrainian organization, which according to its chairman, Pavlo Vlasenko, is currently the second most numerous political group on the peninsula, with 10,000 members, held a conference which featured not only local Ukrainian political leaders, but also nationalist leaders from other parts of the country.

The conference, held to mark the 400th anniversary of the birth of Hetman Bohdan Khmelnytskyy, included Slava Stetsko, chairwoman of the Organization of Ukrainian Nationalists and the Congress of Ukrainian Nationalists and president of the Anti-Bolshevik Bloc of Peoples, ABBP Ukrainian committee Chairwoman Maria Bazelyuk and Ukrainian Parliament deputy Petro Shvydkyy.

Conference participants were particularly bitter about the status of the Black Sea Fleet, an entity jointly administered by Russia and Ukraine, but headquartered on Crimean territory.

"The former political workers of the Soviet Army in Ukraine have become tutors, and the KGB has returned in its full strength," said Yevhen Lupakov, a deputy in Ukraine's Parliament and a captain in its navy. "Russian officers are left in our Ukrainian Armed Forces, being in their majority a fifth column in our state."

Lupakov and others also had harsh words for Defense Minister Valeriy Shmarov, saying that Ukraine should get rid of him and "the Shmarovness" plaguing its military.

Lupakov also said that "the national spirit that dominated in the Ukrainian Navy in 1992-94 has been wiped out."

The naval officer added that without the help of a third country such as the United States "we will never throw the Russian yoke off Ukraine" and called for Ukraine's Parliament by year-end to repudiate all deals aimed at dividing the BSF with Russia.

Organization of Ukrainian Nationalists leader Stetsko, highlighting a split between radical and moderate nationalists in Ukraine, subjected the Ukrainian National Assembly-Ukrainian National Self-Defense (UNA-UNSO) to severe criticism, saying that "it is a very dangerous phenomenon for Ukraine. This organization is not Ukrainian but was formed to discredit the national movement."

Effect of Crimea Edicts Evaluated

954F3375A Kiev NEZAVISIMOST in Russian 1 Sep 95 p 5

[Article by UNIAN correspondent V. Savchenko under the rubric "The Island of Crimea": "Having Lost the Constitution, You Do Not Cry for Property"]

[FBIS Translated Text] The Crimean parliament is in now recess. The deputies do not skimp; they spend generously on the most prestigious and expensive resorts, having already "vacationed" through 21 billion karbovantsy [K] (about $127,000). According to Crimean Communist Party republic committee information, official Kiev has promised unheard-of generosity—a letter has already been sent there regarding the payment of bills to the Rossiya sanitarium in the amount of K16 billion (about $90,000). Whether this is true or not, it is obvious that, on returning from enjoying their vacation comforts, the people's elected representatives apparently will find a completely different Crimea in which the role reserved for them will be purely decorative.

The August edicts of President Leonid Kuchma regarding privatization bodies and executive authority in Crimea did no less damage to Crimean statehood than the spring events, when the institution of local presidency was annulled and the Constitution repealed. In the end, purely political decisions were adopted, which only formalized de jure the de facto situation: By that time Yuriy Meshkov had fully discredited himself in the eyes of the voters, while the Crimean Constitution turned out to be stillborn, having been recut several times out of considerations of expediency, and simply could not work. The August edicts look much more serious.

Having lost the Constitution, the Crimean Supreme Council also lost the right to control its own government. As official Kiev emphasized on numerous occasions, it was a temporary measure, in effect until the new Crimean Constitution was adopted. That is, the government was made into a carrot one could only get possession of by adopting a constitution that is "not in conflict with Ukrainian legislation." And keeping in mind that lawmaking is far from the Crimean parliament's strongest suit, it was expected that the current status quo would not last long.

And then suddenly, like snow coming down on visitors sunning themselves on the beach, an edict "On Organs of State Executive Authority in the Autonomous Republic of Crimea" appeared. The very first article of the edict says that the prime minister and members of the government are appointed and dismissed by the Crimean Supreme Council (the prime minister, though, upon concurrence of the Ukrainian president). Which is what Crimeans actually wanted. It is obvious, however, that there were no reasons for the president of Ukraine to retreat. It is just that the situation changed. First, the job of speaker went to pro-Ukrainian Yevgeniy Suprunyuk. Second, a number of influential deputies have been given, or hope for, jobs in government structures. Among the latter "defectors" is Sergey Nikulin, former leader of the Russia faction and currently an acting minister of resorts. So, today it is probably the Crimean Supreme Council that depends on the government rather than the other way around.

But the most important part is in the edict's articles that follow. They transform rayon executive committees into rayon state administrations subordinate to the Crimean Government, and the Cabinet of Ministers and president of Ukraine. Neither the Crimean Supreme Council nor the councils at other levels have any authority over them. Thus, the construction of a rigid vertical executive authority in Crimea has been completed, and at its top is the same Leonid Kuchma. Moreover, if in the remote future the new Crimean Government decides to conduct its own policy, it will find itself in a moral vacuum. Such government simply will be unable to implement its decisions without support on the local level.

One way or another, however, all collisions in Crimean politics boil down to one thing: who will be disposing of the peninsula's riches and whose people will be implementing privatization, which officially still has not started. In this respect Kuchma's second edict—on Crimean privatization bodies—puts an end to the years-long struggle.

The situation that had emerged by August resembled last year's fight over the Crimean police. At the time Yuriy Meshkov put in charge of it a military man—General Valeriy Kuznetsov, and Kiev appointed to the same job a police general—Valeriy Chernyshev. A tug-of-war began between Kiev and Simferopol as to whose candidate will win. In the end the appointments of both generals were rescinded, and a Security Service colonel—Vitaliy Kirichenko—was put at the helm of the Crimean police. This looked like a compromise between the parties to the confrontation, but it soon came out that Kirichenko dutifully carried out all directives of the Ukrainian Ministry of Internal Affairs and had no intention of carrying out local presidential orders.

A similar scheme was put into action in the fight for the right to implement privatization. Crimea created its own state property fund, headed by Aleksandr Kotelnikov, while Kiev created a Crimean regional branch of the Ukrainian State Property Fund. Appointed as its acting head was Aleksey Golovisin, who during the election campaign headed Kuchma's Crimean election campaign; he is also one of the top men in the Union in Support of the Republic of Crimea— the only party on the peninsula which to this day consistently supports the Ukrainian president.

However, this time everything was even simpler than in the situation with the police. Kuchma issued an edict liquidating both funds, thus sweetening the pill for Crimean deputies. Instead, a property fund of the Autonomous Republic of Crimea was created, which was de facto subordinate to Kiev: The central government approves its top officials on the recommendation of the Crimean cabinet. (Let us note that in this regard too, the Crimean Supreme Council is deprived of the ability to influence the situation). In less than a week a message came from Kiev that the same Golovisin had been appointed to head this fund.

One interesting detail. Golovisin himself was not a supporter of the Ukrainian version of privatization, believing that labor collectives should be given priority. Apparently, however, services rendered the president outweighed even these disagreements. In an interview with our correspondent, Golovisin said that he intended to start with small business privatization and privatization of unfinished facilities under construction. Part of the proceeds will be used to set up a nonbudget fund, investment "from which will help to implement the privatization of large enterprises."

The situation is far from being as unequivocal as it seems, however. First, Kuchma's rating in Crimea has never been lower. The Ukrainian president is being accused of reneging on his campaign promises. Second, the privatization process will need to be modified in view of the high criminalization of the peninsula. How does one, for instance, privatize state property that is under mafia control? It is not going to relinquish it without a fight. Third, Kiev is making a traditional mistake, believing that its opposition in Crimea consists only of the remainder of the Russia bloc, concentrated mostly in the parliament. The political disposition of forces on the peninsula has long since changed. For instance, recent elections to local councils gave considerably more seats to the communists than all other parties combined.

Their leader Leonid Grach, commenting to our correspondent on Kuchma's edicts, said that both edicts are aimed at abrogating the rights of the autonomy and confirm the Ukrainian leadership's course toward strengthening the unitary state. "With one edict, the Republic of Crimea has been deprived of the right to manage and dispose of its property, and the other is aimed at liquidating the councils as bodies of authority. This will result in dual power at the local level, and in the end also a confrontation between two branches of authority. After these edicts, all that will be left of the autonomy is the sign," said Grach.

Vladimir Zubarev, an influential Crimean attorney and chairman of the bar, also emphasizes "the danger of strengthening one branch of authority at the expense of the two others." In his opinion, the edicts run counter to the Constitutional Treaty in the part regarding the development of local self-government.

So, the deputies will finish suntanning, return to their offices, and most likely will accept the new state of affairs. Implementation of presidential edicts, however, will hardly go as smoothly as Kiev plans.

Suprunyuk on Kiev Relations, Parliament

954F3412A Simferopol KRYMSKIYE IZVESTIYA in Russian 7 Sep 95 p 1

[L. Chevelcha report on news conference given by Yevgeniy Suprunyuk, chairman of the Supreme Council of Crimea; place and date not given: "Let's Speak Openly About the Difficulties"]

[FBIS Translated Text] After two months in his new office, Yevgeniy Suprunyuk, chairman of the Supreme Council of Crimea, held his first news conference for representatives of the news media.

Inasmuch as the questions at the news conference were of quite a diverse nature and not always straightforward, we offer for your attention the most topical ones heard in the course of Yevgeniy Vladimirovich's meeting with representatives of the press.

The Supreme Council of Crimea third session begins on 20 September. Journalists were undoubtedly interested in the list of items being prepared for consideration. As Yevgeniy Vladimirovich explained, the adoption of the republic's basic law—the Constitution—will be the most important. Only after this can parliament produce the legislative instruments necessary for stabilization of the economy and the political situation. Study of its draft, which is to satisfy all strata of the population of Crimea, continues. The Constitution will be adopted, however, by people with different political views, different parties, and even religious beliefs. The sole thing about which it is, possibly, too soon to speak is the introduction of the institution of the presidency inasmuch as it failed to justify itself earlier. But it is entirely possible that the situation could change subsequently.

Journalists representing the Crimean Tatars at the news conference wanted to obtain assurances that the basic law of the autonomous republic would enshrine the rights of the deported citizens and, particularly, the "election" quotas for the Crimean Tatar people. The chairman of the Supreme Council reassured them as much as he could, saying that working commissions of the Ukrainian leadership had in conjunction with representatives of the Crimean authorities already prepared a whole package of documents, which were to alleviate the life of people deported in the war years. It is now important that these documents begin to work. As far as constitutional guarantees are concerned, at this moment one of the sets of wording proposed for inclusion in the basic law defends the right to participate in elections of all deported peoples. In addition, it is proposed adopting a separate law which takes account of the interests of the Crimean Tatars and makes provision for their representation in the republic's elective bodies.

Continuing the discussion of the impending new stage in the work of the corps of deputies, Yevgeniy Suprunyuk informed the representatives of the press also about an event of no less importance for Crimea and, correspondingly, for its legislative authorities: The preparation of a presidential edict that will finally will make it possible to introduce open-economy procedures on the peninsula has practically been completed in Kiev.

The question of property made the summer of 1995 a worrying one. The property of the state which, before it passes into other owners' hands, has to be redistributed and delineated. Consultations were held at the highest level on this matter throughout August and the first days of September: in the cabinet and with the president of Ukraine, and on individual matters, with O. Moroz, chairman of the Supreme Council of Ukraine, also. There were contentious moments also, particularly when matters touched on certain properties of the sanatorium type intended for the recreation of "state" persons. Those wishing to "replay" the question of the division of state property and that which belongs directly to Crimea have appeared among officials of Ukraine. As you already know from recent press reports, an appeal of the Supreme Council of Crimea Presidium to Ye. Marchuk, prime minister of Ukraine, which expresses our parliament's attitude toward the violation of certain acts of the preliminary accord on the delineation of property, was adopted at the proposal of Crimean deputies. But, Yevgeniy Suprunyuk emphasized, both the president and the Government of Ukraine are keeping a very close eye on this problem and are supporting us. Thus L. Kuchma vetoed a cabinet decree on the transfer of the Yuzhnyy Sanatorium to the jurisdiction of Ukraine.

Judging by these and other facts, the Crimean leadership has overcome the crisis in relations with the power structures of Ukraine. The chairman of the Supreme Council believes that what has been generated in terms of interaction with Ukraine in this short period is quite serious: "Together with Prime Minister Anatoliy Franchuk and a number of deputies I attended a whole number of sessions of the cabinet—both on an invitation from Kiev and on our initiative. Now all disputed matters are being tackled at the negotiating table. A readiness to work in this spirit has been demonstrated by the president and the prime minister of Ukraine and the chairman of the Supreme Council of Ukraine. There is, it is true, somewhat of a misunderstanding on the part of other officials. But the mechanism of the political and economic relations is, generally, very complex."

Via the deputies maintaining constant ties to Moscow, the leadership of the Supreme Council of Crimea has kept sight also of Crimean-Russian relations, which are primarily of economic interest.

Everyone in Crimea, including journalists also, perhaps, is tired of the constant antagonisms in the political arena, which are depriving the peninsula of the possibility of stabilizing economically if only somewhat, and parliament, of switching to a normal process of lawmaking. But will a danger of the former parliamentary antagonism distracting it from constructive work not arise anew with the start of work of the session?

The present head of the Supreme Council of Crimea Presidium is not afraid of this, believing that there is, has been, and will continue to be every conceivable political current in such a living organism as the Supreme Council. And any opposition only helps sustain this line or the other, and it is for the majority of deputies to decide the nature of this line.

But constructive work on the leadership of Crimea is impossible unless there is normal contact and interaction between the two branches of power: the legislature and the executive. Yevgeniy Suprunyuk assured the representatives of the press that relations have normalized with the Government of Crimea also and that joint work was continuing.

But in connection with the edict of the president of Ukraine regulating the introduction here of administrations, "district," in the main, as yet, it is true, the danger of the establishment of some diarchy appears. And if the fears that have arisen are justified, the function of the legislative body of the republic will remain merely nominal.

The possibility of such a turn of events disturbs the leadership of parliament also. "We," Yevgeniy Suprunyuk said, "are considering closely and producing our proposals on this matter. Considering that Crimea is a special region, we are required to convey to the president of Ukraine our vision of future work with the administrations."

The collapsed economy could cancel out all "political achievements." The blood of the economic organism of any region is energy. The shortage of energy resources has already brought Ukraine and, together with it, Crimea to the brink. Last year the republic had to apply for additional energy supply to Russia. How will we survive now?

"As far as assistance from Moscow is concerned," Yevgeniy Suprunyuk announced, "it has cost us dear—its cost is one-third higher than world prices. But we shall not emerge from the situation without additional investments, of course—from wherever they come—Russia or other countries. The populist statements that someone will take over the leadership in Crimea and resolve everything in a day do not correspond to reality. Again, when the price of electricity rises, it rises for wheat and, correspondingly, for flour and bread also. But not to speak openly about this would be to deceive one's own constituents."

UNA Leader Says Communists Behind Registration Decision

AU1809144495 Lvov ZA VILNU UKRAYINU in Ukrainian 9 Sep 95 p 1

[Report by Ivan Besyada: "The UNA Is Not Going Underground"]

[FBIS Translated Text] This time, the scheduled news conference by Andriy Shkil, chairman of the Lvov Oblast Committee of the Ukrainian Nationalist Assembly [UNA], was devoted to a quite alarming problem that the organization has been confronted with. On 6 September, acting Minister of Justice V. Chernysh issued an order for the Ministry to rescind the entry on registering the UNA.

As Andriy Shkil pointed out, this had become a consequence of the deliberate campaign waged by certain political circles against the UNA. Even after the Starokyyivskyy People's Court in Kiev rejected the Procurator General's Office initiative to institute legal proceedings against the UNA because such an action would be under the jurisdiction of the Constitutional Court, persecution of members of the organization on the part of law-enforcement bodies did not stop. Even in Lvov, three of UNA representatives were detained and brought to the district police department for the only reason that they had carried packages of the newspaper HOLOS NATSIYI through the city to dispatch them to their readers in eastern regions of Ukraine. A statement issued by the UNA pointed out that the decision by the head of the Ministry of Justice had been adopted after, on 5 September, [Petro] Symonenko, leader of the Communist Party, delivered a brutally slanderous speech against the UNA at the Supreme Council session and demanded that the UNA be disbanded. "It is of interest," reads the statement, "that the said speech did not find reflection in the mass media, in particular, in television reports on the evening of 5 September. It is all the more interesting that such act of 'censoring' on Communist number one was carried out in spite of the Supreme Council decision to telecast in full speeches by heads of factions." The statement concludes that the hushing up of Symonenko's speech is due to the desire to conceal its connection with the decision by the acting justice minister. A. Shkil believes that the wind of all of these persecutions the UNA is subjected to is blowing from Bankivska Street, where the Presidential Administration is situated.

However, the rescindment of the UNA registration has no legal force and is an unprecedented case in legal practice, because no legal documents provide for such a right to be exercised by the Justice Ministry. "This gives us grounds," reads the appeal to the Ukrainian president by the people's deputies representing the UNA, "to state that the all-Ukrainian association of citizens — the 'Ukrainian Nationalist Assembly' political party — will continue its legal activity, and its leaders cannot and should not be held responsible for the so-called initiative to rescind the UNA registration, since Article 27 of Ukraine's Law provides for such responsibility only in cases of failure to fulfil a court decision."

Andriy Shkil stressed: "We will never go underground, not as long as the Ukrainian state exists de jure." Moreover, the organization is taking the case to court with a demand that the Ministry of Justice decision "On Rescindment of UNA Registration" be made null and void and that a criminal case be instituted against the ministry's officials for such actions as envisaged by legislation.

Orthodox Church Clergy Appeal For Building Ownership

WS1909083295 Kiev INTELNEWS in English 0352 GMT 19 Sep 95

[FBIS Transcribed Text] Kiev, Sep 18 — High-ranking clergymen of the Ukrainian Orthodox Church Kiev Patriarchate appealed Monday to President Leonid Kuchma and Prime Minister Yevhen Marchuk to transfer St. Andrew's Church, Vydubetskyy monastery and buildings of the Kiev Pecherska Lavra monastery, including the Refectory Church, to their ownership. Currently the above churches are being used for services of the Ukrainian Orthodox Church's Moscow Patriarchate.

"Despite the implementation of the presidential decree on measures on returning property to religious organizations, in four years of Ukraine's independence no building was returned to our Holy Church, say, in Kiev," the statement said.

The statement also reads that, "Deputy Prime Minister for Humanitarian Issues Ivan Kuras ordered the transfer St. Cyril's Church in Kiev, the national Ukrainian sacred place, to the Moscow Patriarchate."

The statement says that "despite numerous pleas of the Ukrainian Orthodox Church, the national church of the Ukrainian nation was not transferred any church in Vinnytsya, Zhytomyr, Dnepropetrovsk, Dnepropetrovsk, [as received] Odessa, Donetsk, Chernihiv, Kharkov, Sumy and other cities."

"The issue of transferring the Vydubetskyy monastery to our church has not been resolved so far," the statement said. The monastery now accommodates Archeological Institute of the Ukrainian National Academy of Sciences and monastery buildings under one roof.

"We consider that controversies between the state and churches are directly attributed to unresolved property issues of religious organizations and distorted policy regarding the church," said the statement.

The statement was signed by the acting Patriarch, Metropolitan Filaret.

Minister on Chernobyl Shutdown, G-7 Stance

WS1909082395 Kiev VSEUKRAINSKIYE VEDOMOSTI in Russian 13 Sep 95 p 6

[Report on interview with Environmental Safety Minister Yuriy Kostenko, by Ihor Osypchuk; place and date not given: "Ukraine Is Still Being Pushed Into the Chernobyl Abyss"]

[FBIS Translated Text] [Osypchuk] The West has confirmed its intention to remove the Chernobyl nuclear power plant from operation at Ukraine's expense. The tragedy of the situation lies in the fact that the Treasury cannot be counted upon in that regard, while a "cost-free" shutdown of the power plant may lead to an uncontrolled deterioration of its safety.

It became clear in the fall 1994 that the West believed in the sincerity of Leonid Kuchma's reformist intentions and was ready to move over from promising economic assistance to rendering it. However, the fate of many credit lines was firmly connected to the commitment to close down the Chernobyl nuclear plant in the immediate future. The Chernobyl issue has been raised at virtually all the meetings attended by Western delegations. At the beginning of 1995, the situation at "Chernobyl" negotiations resembled a stalemate. Ukraine's State Atomic Committee unambiguously stated that the West's conditions were not prompted by concern about the nuclear power plant's safety (given that the plant operates much more reliably than the country's other plants). At the same time, the government agreed to close down the facility solely if the developed states compensate Ukraine for incurred losses ($4-6 billion). The final communique issued by the G-7 group in Naples, in July 1994, contains the decision to close down the Chernobyl power plant. That decision was made without holding prior consultations with Ukraine. The G-7 group suggested that Chernobyl power plant units be replaced by the virtually completed units of the Zaporizhzhya and Khmelnytskyy plants, while Ukraine be paid only $200 million worth of compensation.

The G-7 group hailed Leonid Kuchma's statement, made on 13 April 1995, to the effect that the Chernobyl power plant would be removed from operation by the year 2000. It later turned out that the group postponed the discussion of conditions under which the shutdown of the power plant could be carried out to Ukraine's advantage. Those conditions became the basis for our state's plan to close the power plant. The shutdown is going to incur financial losses in the amount of $4.4 billion. According to the plan, the G-7's free assistance (grants) should amount to approximately the same sum. There are plans to spend that money on the construction of a thermal electric power station near Slavutych. This station would become a source for financing the resolution of the Chernobyl issue, which would not be dependent on the budget. It would provide jobs for a group of former Chernobyl power plant employees, and the time frame for the thermal station's construction (three years) would meet the West's demand on closing the Chernobyl power plant in the coming years. More than half of the grants should be spent to cover the difference in fuel prices — the cheap nuclear fuel and the expensive organic one (the payment of that sum would be executed within 10 years). Ukraine believes it unacceptable to be given credits instead of grants because it would be impossible to both repay those credits and finance the work at the Chernobyl power plant from the new power plant's profits.

After an interval, the G-7 group recently announced that it considers the Ukrainian government's plan inexpedient. Hence, the G-7 demonstrated again that it is not going to finance its own demand to close down the Chernobyl power plant. Instead, it has suggested discussing the project drafted by the European Bank for Reconstruction and Development [EBRD], which envisions upgrading thermal electric power engineering.

As has been reported, G-7 experts are scheduled to arrive in Kiev in September, and the first meeting of Ukraine's and G-7's governmental delegations on the Chernobyl power plant issue is to be held in October. Ukraine's delegation will be led by Minister of Environmental Safety Yuriy Kostenko. How does he assess the current situation?

[Kostenko] I believe that the G-7's attempt to link the EBRD project with the Chernobyl problem is inappropriate. I still think that our plan of activities aimed at closing down the power plant is correct. On the downside of that plan I would put its excessively detailed character, particularly its dependence on one kind of fuel — natural gas. Our plan should have been presented in the form of a scheme, nothing more than that. Among the most important and essential issues is that of creating a mechanism for financing the resolution of the Chernobyl problem. We must not count on the budget, since there have been many redrafts. Nobody can guarantee that "Chernobyl money" will be used strictly to resolve Chernobyl's problems.

We can reject the idea of the new thermal electric power plant; however, in that case the West should provide appropriate funding in the amount of $4-5 billion for closing down the Chernobyl power plant. Meanwhile, the G-7 group does not offer that option.

[Osypchuk] The Ministry of Power Engineering accepts the reconstruction of thermal electric power engineering as part of the Chernobyl program. Thus, that ministry's stance in fact coincides with that of the West. Moreover, Ukraine's Power Engineers' Union deems the Ukrainian Government's plan of activities as being at variance with Ukraine's national interests and claims that the plan has been adopted without consulting professional power engineers.

[Kostenko] The government had just around a month to draft the plan. We could not observe the regular bureaucratic procedures; nevertheless, the plan was discussed at an expanded session of the Ministry of Power Engineering Scientific-Technical Council. Critical remarks were taken into consideration, and the choice was made proceeding from the reasons which we openly cite, as well as from other reasons — which we do not publicize out of diplomatic considerations.

Parochial interests are hidden behind the Ministry's of Power Engineering decision to resolve the problems of thermal electric power engineering within the framework of the Chernobyl program. Their interference in the negotiation process is very harmful, given that the West takes advantage of our internal arguments. Incidentally, the same happened with the project of creating an international scientific-technological center in the Chernobyl zone. Alternative proposals have been expressed and foreign specialists are already arriving. On what terms will they work here? The main thing is that agreements on financial participation of foreign states in the work of the future center have not been signed, which may incur losses. We have already sold for a song huge amounts of priceless information about the Chernobyl zone.

[Osypchuk] Do you not think that the new round of talks with the G-7 group is at a dead end before it even started?

[Kostenko] We should look for compromises. We cannot refuse to close down the Chernobyl power plant by the year 2000 because Ukraine cannot do without Western credits.

[Osypchuk] What are those compromises?

[Kostenko] I have certain ideas in that regard, but it is too early to speak about them at this point.

Economic Issues

Marchuk Speaks on Economic Policy, Reforms

LD1609172395 Kiev Radio Ukraine World Service in Ukrainian 1010 GMT 16 Sep 95

[Address by Prime Minister Yevhen Marchuk at nationwide conference of leading economists in Kiev on 15 September — recorded]

[FBIS Translated Text] Our conference coincided in time with the preparation of the new government's program of action. It gives us another opportunity to test the government course toward further market transformations in Ukraine's economy, and hear the opinions of experts representing our national economic science on the possible and necessary steps toward social and economic recovery in Ukraine and the improvement of people's living standards.

Yesterday's discussion revealed that any qualitative change in the national economy is virtually impossible without the revival of solvent demand and the purchasing capacity of the population, without the revival of the production sphere. The government must take particular care to support such manufacturing sectors as the light and food industries. At the same time, the state will also extend its support to small manufacturing businesses. We are proposing to adjust the course of reforms with a tangible move toward genuine, rather than declarative, social protection of the population.

We need to determine our economic priorities, and this was also discussed very extensively at the conference. These should not be aimed at general assistance to all or a combination of things, but the streamlined support of, primarily, import-replacing and competitive industries. Expert analysis, carried out during the work on the government program, confirmed that the country has the necessary potential to pull the most industrially, scientifically, technically, and intellectually advanced production sectors out of the crisis. The Cabinet of Ministers will have to stop extending financial rescue packages to absolutely all enterprises. Investment should be specific, that is, aimed at, first, those producers whose goods are in demand; second, those capable of increasing their sales; and third, those who can give a boost to a whole productive complex and stimulate closed cycles of cooperation. Special-purpose government credits, issued through the new budgetary bank, should find their way straight to the recipient without a multitude of intermediate stages.

The government has singled out the following priority areas where it will concentrate its efforts in 1996. First of all, it is the development of the fuel and energy complex and the introduction of energy and resource saving technology in national economy sectors. Second, it is the revival of solvent demand and the purchasing capacity of the population as a factor crucial to the development of the manufacturing sphere and the improvement of people's living standards.

The past four years have proven that Ukraine, like other states formed from the territory of the former USSR, will not be able and does not need to repeat, much less duplicate, the course once pursued by the now economically developed nations, which is what Ukrainian President Leonid Danylovych Kuchma said yesterday. This point, the so-called market blitzkrieg, intended to generate and accelerate self-regulating economic processes by using and demonstrating the laws of a classic market economy, turned out to be premature. As the Ukrainian president said at the gala meeting on Ukraine's Independence Day and at this conference yesterday, we need to be more active and persistent in search of our own, Ukrainian, model of market reforms. This, however, does not mean that Ukraine claims any exclusive status that requires unique models to get to the end of the beaten track of human civilization, bypassing objective economic laws.

On my instructions, the experience of economic transformation in many countries has been analyzed, including particular aspects of the great depression in the United States in 1929-1933, the New Economic Policy in the USSR in the 1920's, the renewal of postwar Europe under the famed Marshall Plan, the reconstruction of Germany under the leadership of Adenauer and Erhard, the Japanese miracle of the 1960's, the regeneration of the USSR's national economy in the 1940's and 1950's, the Chilean variant, the reforms in China, and the experience of many other countries that have gone through the hardship of economic transformation. The collation of this material on the use of world experience and national peculiarities in curbing crises led to our discovery of a number of aspects common to the actions and macroeconomic maneuvers of these countries. Although, clearly, there were numerous characteristics found in individual nations, there were some which, in our view, were of a common nature.

These are, as follows:

First, entering a period of reconstruction in their national economy that had been ruined, every country, without exception, acted on the basis of their own strength, historical traditions, and mentality of their own people. In other words, where large-scale reforms were a success, their implementation rested on the foundation of traditional fundamentals in the life of the public at large.

Second, another commonality was that precedence was given to support for goods manufacture and the stimulation of agriculture, food and light industries as part of that goods manufacture. Each of these countries resolved this problem differently. However, everywhere the intention primarily was to feed and clothe their country on their own as a precondition to other nationwide in-depth reforms to take place.

Third, the presence of an exceptionally rigid vertical structure of government also was a major side to checking crises, which was repeated in virtually each of those countries. The strengthening of executive and administrative authorities, however, progressed according to the fulfillment of tasks in the implementation of large-scale special-purpose priority programs, rather than autonomously. In a nutshell, the nature of power was, accordingly, constructive.

Fourth, another feature was the regulation of market relations institutions. Roosevelt's statement, I quote, that the state is to tame the mad market, unquote, in practice was borne out by active countermeasures against a variety of speculative operations, economic fraud, and other crimes in the economy. The establishment of a market economy in virtually every country was also under state regulation. Having said that, however, there was comprehensive support for production and there existed a wide-ranging network to engage the able-bodied in small-scale goods manufacture and productive entrepreneurship, rather than profiteering or wheeling-dealing. There were particularly stringent controls over commercial banks and other financial brokers, and strict anti-inflationary policies.

And, fifth, extensive care about highly skilled specialists in science and education and their maximum encouragement in their intellectual activity was and still remains a concern of exceptional importance to every by-now-industrialized nation.

Yitzhaq Rabin, who recently visited our country, said that the main priority in the activity of Israel's Government was education and science.

The historical experience in combating crises in other countries does not end with these conclusions. It is much richer and more multifarious. There are both positive and negative sides to it and, clearly, Ukraine, as has been said before, cannot randomly and unquestioningly follow someone else's course, the more so in that our own history is extraordinarily rich. However, perhaps it is still necessary to acknowledge the guidance of universal laws and the rules of the game and conduct as tested and recognized by human civilization.

The choice of strategy, operational plans, and tactics on our way to the market is to take account primarily of the particularity of our macroeconomic situation on the basis of the actual and potential capability of our production and the objective laws at the transitional stage.

Having studied the experience and lessons of market transformations in Ukraine itself, the Cabinet of Ministers is going to neutralize in the near future the negative consequences of some blunders made and avoid them in the future. Now we can state with regret that we have almost reached the point beyond which the situation in the production sphere gets out of control. We can say that the somewhat distorted understanding of the economic liberalization policy has led to upsetting the main macroeconomic balance between demand and supply. By the way, there is one more rule: As a rule, liberalization winds up the process of overcoming a crisis rather than initiates it. In other words, full liberalization as a rule, marks the final stage of overcoming the crisis.

We should also say that the labor remuneration and material incentive system is imperfect and seriously distorted. The effective demand and the purchasing capacity of the population, natural persons, and legal entities have been suppressed beyond admissible levels.

The shadow and fictitious capitals are growing. As you know, slightly more than 33 trillion karbovantsi were circulating outside banks at the beginning of the year. Now this figure is over 200 trillion. Unfortunately, the practice of making money out of nothing has become a reality today.

The gross domestic product and the national income suffer significant losses because the export-import transactions and flows are not quite regulated. The structural policy has shortcomings. Energy intensive components of the production sphere consume excessive amounts of energy. You are well aware of the fact that we spend by 50, 100, and sometimes even by 150 or 200 percent more energy per one unit of production than any other European country.

Unfortunately, we can say that the state has abandoned the policy of supporting the priority industries and sectors, although, as you know, we have drawn up some programs for the priority trends in our economy.

Unfortunately, we should state that production and social relations are being criminalized. The role of the mafia is growing and consolidating. Opportunities are growing for the enrichment of a small group of people who are making their fortunes outside the economic sphere by means of redistributing the national assets.

As to the size of the gross domestic product and the national income per capita, the choice and quality of food, birth and death rates, and the ratio between the incomes of various sections of the population, our state is gradually sliding into the category of underdeveloped countries. The president mentioned this. He said they are all signs of a colonial economy. At the same time — I would like to emphasize this — the production potential, in particular, the volumes of electric energy production, the transport network, the level of education and qualification of employees, and the possibilities of the scientific and technological basis — which is demonstrating the ability to create space equipment and high technologies; and build sophisticated rockets, aircraft, ships, and other products — meet the parameters of highly developed countries. These contradictions require an in-depth and unbiased scientific analysis, a profound assessment, and, to a certain extent, nonstandard actions. Exactly these two opposite tendencies create a contradiction that we should sort out in a very scrupulous manner and with mathematical precision when outlining priorities in economic development.

I would like to say that, unfortunately, in the recent past there was a phenomenon that could be described as restriction of the state's influence on the economy. It was believed at the time that a self-regulating free market would fix all problems at once in the best possible way, and the macroeconomic situation would result from the free play of supply and demand. That is, the state should not either help or interfere with the so-called invisible hand of the market. The other extreme was the overt or covert desire to restore the command system. Both brought nothing but chaos and destruction to the economy.

Setting the goal of overcoming these distortions and their aftermath, the government will actively promote the creation of a necessary climate for the development of civilized market relations. This implies, first of all, the creation of a proper legislative framework, orientation toward our own economic potential, and the determination of the best structure and time parameters for the establishment of a market economy. The crucial prerequisite for the growth of the purchasing capacity and living standards of the population, and a victory over inflation and other economic and social problems is, I repeat, the revival and expansion of the manufacturing sphere. Therefore, the government considers it a priority and its main task to offer support and incentives to domestic producers. This task will be facilitated by a range of measures envisaged in the government's program of actions.

Here are some of its main points. First, it is the readjustment of enterprise consumption funds in proportion to the change in output and efficiency in the production of goods and services. I wish to stress that we will not, or not simply, restrict consumption funds or cut wages, but adjust them depending on the output and efficiency of production. This approach leaves a great deal of room for an actual increase in wages.

Next is the improvement of financial rescue procedures and credit support for enterprises capable of increasing the output of competitive goods for domestic and foreign markets, and the issue of special-purpose credits to fund effective measures ensuring the launch and increase of import-replacing and exportable products. In some cases, tax credits will be issued in the form of tax discounts for enterprises undertaking to increase the output and sale of products guaranteeing an agreed amount of budget contributions. Protectionist customs tariffs will be imposed on the import of goods that can be produced in sufficient quantities at home, such as foodstuffs, footwear, furniture, electronics, and many other products. Restrictive tariffs will be imposed on the export of raw materials badly needed by the domestic industry, such as leather, flax, pig iron, scrap metal, food commodities, and others. The government believes that these protectionist measures, widely used by many countries, are temporary and will be gradually relaxed and eventually abolished in the course of economic stabilization.

State control over actual exports by barter agreements will be restored; and I stress that it is control, not restriction. This way we will stop the outflow of highly popular raw materials and other resources and the spread of the black market to the export of domestic capital, which draws blood from the national currency market and monetary system. We will attempt to maximize effective control over what we call the uncontrolled re-export of Ukrainian- made goods, which is a way of destroying our traditional export markets with our own products. We need to exercise more effective control over perhaps all import-export transactions and agreements. Again, I mean control, not restriction or imposition of any quotas or licences. We will encourage investment by protecting fixed capital from inflation. We are also planning, in some instances, to allow producers to determine themselves the amount of deductions for depreciation, depending on operational conditions, and apply methods of accelerating depreciation, but only in highly sophisticated production processes.

We shall aim to channel foreign credits and technical aid mainly into the sphere of production, and to take special care to curb the payments crisis and drive down the rate of inflation and credit interest. On these subjects, individual organizational documents of a legally binding nature have been drawn up.

As I said, the application of these methods for the protection of the internal national market is an inseparable right of the overwhelming majority of sovereign states where they are actively in use. By way of recalling the latest dialogue with the Israeli prime minister, Israel, incidentally, is quite energetically applying exactly these mechanisms.

From this point of view, the role of international financial organizations in economic reforms in Ukraine is a matter of principle for the government. The point of reference here is the well-known fact that no foreign economic environment is favorable toward any new partners, which is an objective economic law. There is severe competition and customary protectionism and lobbyism there, totally unfamiliar to ourselves in their application in the interests of our businesses and products. It would be logical to expect that it will attempt to suppress and convert to use in its own interests the economy of Ukraine, which, as an objective characteristic of economics, we should not overdramatize or, as they say, be ashamed to talk about.

The world economy is very much a competition, all of which also requires us to make the necessary corrections to our course and its external aspects in particular. There are a number of possibilities under consideration, to be finalized on the basis of our discussions yesterday and today. What can be said now, however, is this:

We should search for the possibility to consolidate our efforts with those of our foreign partners with whom we maintain normal relations primarily business-wise, in the implementation of large-scale projects of mutual interest; and effectively use Ukraine's geopolitical position, which should be a link between the East and the West, rather than a buffer state. On the basis of transit alone, were the transit of power, transport, and goods arranged to modern standards, our position would enable us to earn, very approximately, enough to pay for almost half of our requirements for power supply.

By way of developing my thought, Ukraine should step up its involvement in revamping existing and building new transcontinental oil and gas pipelines on its territory, since the service life of the European facilities available, as preliminarily estimated and as is well-known, will have finished sometime by the year 2000.

Ukraine should also embark on joint advanced medical and technological projects based on the potential of Chernobyl as a unique international laboratory.

There is a large number of other aspects worth considering in our foreign economic and political activity.

The true wealth of a country, in terms of economics, is the level of effective demand and the purchasing power of the public.

The production sphere will be able to develop only if it matches the level of final consumption. This is self-evident. We abide by the stand according to which it is necessary, first, to revive the effective demand of natural persons through the policy of price formation; second, to contribute to the process of solving the problem of the effective demand of legal entities through the redistribution of the excess profit that is being formed at the expense of various factors, inflation in particular; and, third, to restore the effective demand and the purchasing capacity of the population through the improvement of the labor remuneration system and formation of personal incomes.

The government regards the optimum policy of price formation as a prerequisite for the fulfillment of the above tasks, which has no alternative. An important trend is the liquidation of price disproportions both at the intersectional and interregional levels. The only possible way toward solving this task lies through a gradual transition to price regulation based on market laws of demand and supply. The experience of previous years proved that the instant, shock-type price liberalization was a mistake. The government is planning to carry out this process step-by-step, envisaging relevant preemptive measures and stimuli for the formation of a competitive market medium and for the creation of a clear-cut system of enforceable enactments. The pace of this process should be determined by the financial and economic situation that is taking shape in the national economy as a whole and in its separate spheres.

State control over price formation will be exercised, primarily and mainly, using economic levers, i.e. methods of indirect influence. Relevant proposals to introduce amendments and addenda to the current legislation will be drafted this year and submitted to the Supreme Council. A number of government enactments on labor remuneration at budget-supported establishments are also being drafted. In our opinion, this will make it possible to step up the role of the share of wages that is formed on the basis of tariffs and regulate the process of forming the primary and additional shares of wages at the expense of the prime cost of products and services.

The proposed measures will make it possible to restore elementary order in the sphere of labor remuneration and initiate a reform of the entire wage system and, most importantly, to initiate a growth in the population's primary incomes in 1996 and subsequent years, as the main factors of the effective demand and purchasing capacity of legal entities, natural persons, and the population as a whole.

To stimulate labor, it would be expedient to introduce a system of voluntary contributions by entrepreneurs, establish a procedure for increasing citizens' pension contributions, and adjust pensions accordingly. In general, the idea is to reform the entire pension system in our state. You know that intensive preparations toward that end are under way.

One of the government's most important strategic and tactical tasks is to curb inflation and create an efficient anti-inflationary system. I would like to say that all procedures will be used toward that end, including those at the macroeconomic level, which has been sharply criticized here. However, this does not mean that the procedures will work at the macroeconomic level only. They will work in the production sphere, too.

The problem of inflation cannot be solved only by methods of restricting demand, i.e. the consumer market and credit resources. Inasmuch as the unbalance between the fundamental economic proportions lies in the basis of inflation in Ukraine, methods to curb it should not be confined to cutting off emission channels, although, uncontrolled and unplanned emission is a great evil, too.

Active structural policy in the sphere of property, investments, incomes, and prices is acquiring primary importance. The government will be curbing and regulating inflation within the context of a full-scale monetary reform. However, a mere restriction of money supply, although it hampers the growth of prices, at the same time suppresses production and makes it impossible to break the chain of liabilities.

A paradoxical situation is taking shape in the economy — a real shortage of money occurs sometimes under the conditions of inflation. In 1994, as is known, the total volume of consumer goods produced and stored exceeded by 100 percent the amount of the money paid. This, admittedly, excludes imported goods and foreign currency.

At the same time, experience shows that even planned emission injections dispersed in the bank credit system and multiplied in the shadow economy provoke new inflationary spirals. Therefore, one needs purpose-oriented monetary injections that can accelerate the slowed down circuit, well known to economists, between production, sale, and payment. This is, first, providing finance and credits for projects that can ensure quick production growth and, as I have already said, first for export and import-replacement. There are possibilities to find nonemission sources of purpose-oriented fast recouping credits for state programs for development of production cooperation and export capacities. Costs must be reduced along the whole of the production chain in all spheres of economy. At the same time, it is extremely important to increase profits using utmost accounting and taxation of economic operations and increasing production and sale volumes.

The government's policy of reducing budget expenditure and relieving the state budget of certain functions that budgets do not perform in market economies is topical and will be pursued methodically. Working in this regime we plan a certain production growth, which, through the mechanism of multiplication, will lead to intensifying production in joint industries. We hope that at the same time the trade balance will somewhat improve.

As a result, such impulses must stimulate production and slow down inflation despite even certain possible increase of money mass, although as you know, this is a very capricious phenomenon. We have many instances when money is injected into the economy and we then concentrate maximum efforts on how to fight the money that has been injected into the economy through emission, although emission in itself is not so harmful as it depends on where it is directed and how it is spent. Although in principle, emissions are not very helpful for economy, as they say.

Assistance and purpose-oriented credits should be granted on certain conditions. Otherwise, we will not be able to revive the industry and will be in a way supporting unviable enterprises. One can quote the following example: the Mariupol concern Azovmash, a highly developed, highly profitable, and promising enterprise. This is a complex of producers manufacturing unique goods for export and have no competitors even on CIS markets. Its certain financial difficulties are due not only to their bad work. This is a typical example when sometimes because of pseudo-market dogmatism we cannot stop some destructive processes.

It is understandable that free prices, about which we spoke, are fully possible only in the conditions of a saturated market and developed competition. There are no such conditions in Ukraine yet. One should speak about that openly. The possibility of uncontrolled and unlimited increase of prices does not allow us, at the moment, to implement purpose-oriented financial expansion. Additionally, allocated money and funds often do not reach production and are eaten up by price increases. In order to maneuver financial resources for support and revival of production, one has to block, to a degree, the uncontrolled growth of prices by those market mechanisms. One should not confuse licensed control, i.e. the market mechanism of that control of price increases applied in many countries of the world, especially at transitional stages, with administrative price creation to which nobody intends to return. These are totally difference things.

Here are a few words now about fighting monopolies and monopolism in Ukraine. The most capable of breaking through to Western markets are highly concentrated large enterprises and associations — almost always [word indistinct] monopolists, due to their scale and technological support.

It is economically inexpedient, and even dangerous, to tear apart or disperse these complexes into mini-enterprises, and disintegrate their potential, personifying the state's highest priority scientific, technical, and other possibilities. It is extremely important to preserve these production structures as a national achievement, and they should be under the government's care.

Antimonopoly policies should be developed so that the appearance of parallel productive structures and subjects is stimulated in every way, and those large associations with true potential for a breakthrough onto the world market are supported. The contemporary pattern of international cooperation and economic integration also requires a revision of some demands made by the Antimonopoly Committee on the level of monopolization in the Ukrainian economy. Ukrainian monsters, as we call them, compared with many foreign corporations, appear as dwarves, as small producers. So, everything here still has to be compared very carefully and analyzed.

According to the criteria of contemporary export industrial policies and international competition, further reform of Ukrainian enterprises into large powerful industrial-financial groups is needed.

The monopoly nature of enterprises should be determined in accordance with the share of the market controlled by them. Monopolism in its truly negative aspect is economic dictatorship and does not depend on an enterprise's structural size or production volume. This practice of unhealthy economic competition is an unreserved way for contracting partners to impose their conditions, particularly prices. Precisely in this context of combating monopolism, the government is ready to and will actively cooperate with the Antimonopoly Committee, striving for maximum support for goods production by joint efforts.

Ukraine is now becoming more attractive to foreign investment, although the level of investment cannot satisfy us. The level for the total needs of structural reconstruction alone is approximately $10 billion, according to rough calculations. More than 2,000 joint enterprises are operating in our state now. Their share of the gross domestic product is more than 3 percent. However, Ukraine unfortunately lags considerably behind some CIS states now in attracting foreign capital.

The creation of a positive investment climate needs financial stabilization, a reduction in the level of inflation and investment risk, and the stimulation of accumulation of national currency and turning it into investments.

Most of us know, probably we all know, that the first Ukrainian space device, the Sich-1, was launched on 31 August for research purposes. The most essential consequence of this outstanding event is the world community's recognition of Ukraine as a space state. In addition, and this is the main thing, we have shown the world our true scientific, technical, industrial, and innovational potential. This also improves the preconditions for deepening mutually beneficial cooperation with the world's economically developed countries on an equal footing.

We proceed from the position that Ukraine should intensively learn to use appropriate forms of industrial integration produced by world experience. One should pay special attention to intensifying long-term bilateral and multilateral agreements with foreign countries, both with the CIS and others. Ukraine's integration into the world economic space via pioneering scientific and design achievements will secure a number of positive factors for us:

These are the fulfillment of the potential possibilities of Ukrainian science and technology; the preservation of the economy's acquired industrial and technological base; the revival and expansion of prospects for using existing production capacities, and the potential of design organizations and large labor collectives; employment for the work force; the halt of ruinous processes, despecialization, and the collapse of cooperative links; the creation of a favorable environment for forming more advantageous economic links with the near and far abroad; the emergence of specific material preconditions for attracting foreign sophisticated technologies; the use of fundamentally new sources of joint investment in structural reforms, and industrial development on the basis of a balance of the relevant countries' interests; the development of our own base for high-tech production and information services; a decrease in our technical backwardness in relation to developed countries; the emergence of prospects for winning in economic exchanges; and the acquisition of profits belonging to technological leaders.

I am speaking about this in such detail because we, unfortunately, have some disregard in some industries regarding cooperation, especially with the CIS countries, believing that our course is only toward the West, and the CIS countries are the past.

From the point of view of technological prospects, this perhaps is true. However, from the point of view of current realities, and in order to preserve large hi-tech production facilities and large scientific and research structures, we should not determine this trend unequivocally, otherwise we shall make a mistake.

We initiated a difficult but necessary process of reforming relations in agriculture; first and foremost, financial relations with the countryside. The state is gradually refraining from dictating its terms to agricultural producers. It is becoming their equal partner and contributing to their normal economic activities, although there is still a lot to be done toward this end. The change of the principles of forming state food reserves, the introduction of procurement under contract, and services provided by the agricultural exchange gave much more freedom to farmers who obtained the right to use their produce at their own discretion. The countryside is becoming a full-fledged participant in market relations, although I would like to repeat that the reform in the agro-industrial complex requires considerable effort.

The objective of social policy for the near future is to prevent further impoverishment of the population under conditions of the economic crisis. Above all, it is necessary to find the most effective stimuli to step up the participation of the able-bodied population in the production sphere, to enable it to display individual entrepreneurial skills. This will make it possible to build a basis for the well-being of the family as the main constituent of the state.

Social policy should be extended to all sections of the population. However, priority should be given to those who work, those who provide for the accumulation of national assets, annual replenishment of the state budget, and establishment of relevant funds, which serve as a material base for the implementation of scientific, technological, and social programs. Only under this conditions will the state be able to fulfill its social obligations to the less well-off sections of the population.

Speaking in favor of the radical improvement of the content and quality of the entire social infrastructure system, I warn of the importance not to ruin the social achievements that were already gained in this sphere. I have in mind cost-free secondary and vocational education, medical services, and the right to housing and jobs. Meanwhile, the development of nonstate education, insurance medicine, and other components of the infrastructure inherent in the market economy is on the agenda.

In 1994 and 1995, the first results of the purposive state ecological policy became visible. The processes of catastrophic ruination of the environment have been slowed down. The management of environmental activities and control over the use of nuclear power have been improved. The levels of industrial air and water pollution have been lowered to a certain extent. The introduction of ecological and economic methods contributes to the involvement of natural resources in the economic turnover and the decrease in the consumption of resources in the production sphere. It will be possible to further improve the situation only on condition that the economic reform is accompanied by an ecological reform; in other words, when environmental protection is regarded not as an annoying [word indistinct] obstacle but a real opportunity to further consolidate the state's economy and preserve people's health.

It is impossible even to mention all the trends and aspects of the transformation of our economy and society in this short speech.

I have focussed only on certain points of organizational approaches to the mechanisms of reforming the economy. There are many constituent parts of economic reform, which I did not mention today, because they will be set forth in the government's action program and in my speech at the Supreme Council session — such especially meaningful ones for us as structural reconstruction of the economy, above all the energy sector, without which it will be very difficult for us to move forward. These also include taxation policy, social welfare, and many other serious and important reform trends.

The government's action program, which will take into account the speeches and opinions expressed here, will be as specific as possible, including, as has been requested here, information on the technology and mechanisms for implementing it. So, a whole series of organizational measures are to be added to the program. There is an appendix to the government's action program, covering nine pages, on organizational measures to ensure its implementation. There is a draft Cabinet of Ministers resolution, which will be adopted after the program is adopted, of more than 20 pages — it has already been made as specific as possible with names, accountability, dates, and so on.

Therefore, I think that on the whole one can only discuss the finalized version of the government's full action plan, with the diagrams, tables, calculations, and schedules, although, clearly, everyone has the right to express their opinion. The program will be aimed at creating a state-regulated, socially oriented market economy, which the Ukrainian president spoke of.

I personally, and on behalf of the whole government, would like to thank all of you for your criticism, proposals, recommendations, and speeches, which will definitely be taken into account, adjusted, critically interpreted, and taken account of in the government's activity. Thank you for your attention.

Introduction of Hryvnya Possible on 15 Oct

WS1909094295 Kiev KIYEVSKIYE VEDOMOSTI in Russian 14 Sep 95 pp 1, 6

[Article by Mykola Zakrevskyy: "Monetary Reform: There Will Be Less Zeroes. And Less Money in Citizens' Pockets?"]

[FBIS Translated Text] Rumors about the hryvnya have begun to spread again. The Ukrainian president's promise: "We will have the hryvnya in October," has stirred the excitement of ordinary citizens: Will the people suffer? These rumors have also triggered a new wave of speculation among financial circles about the nature and the mechanism for conducting monetary reform. This is not by chance.

First of all, the provision of "timely and broad information about monetary reform in Ukraine," as was promised, has so far not materialized. Second, monetary reform is only worth doing when, in addition to denomination ("crossing out" the zeroes and making calculations simpler), it is confiscatory in nature. The latter may affect both the population in general or individual social groups and economic entities.

Ukrainian Prime Minister Yevhen Marchuk, during his visit to Cherkassy Oblast last week, gave assurances that there will be no problem for the population as a whole: "The monetary reform in Ukraine planned by the government threatens no one — neither depositors nor those who receive wages...."

So who is threatened, then?

As regards the people who only have their wages to live on, or who, rather, live from one pay day to the next, everything is clear: There is nothing to take from them. New monetary units will be printed and these people will be left on their own. "Sanctions" will not likely be taken against the people who have money in their savings bank accounts as a compensation for, so to speak, the Savings Bank deposits which became devalued during the years of inflation.

The problems will most likely be for those people who keep money "for a rainy day." However, there are many of them. As of today, according to economists' estimates, over 30 trillion karbovantsi [K] are kept in citizens' personal accounts in Ukrainian banks. The amount of money in floating cash is almost five times as much. These are the reserves for the "financial recovery" of the state sector! Not to make use of them is somewhat of a "non-state" approach. It is worth again heeding the advice of the great machinator Ostap Bender [hero of Ilf and Petrov's book "The Golden Calf"]: "When you make a fool of your neighbor, do it in such a way as to leave the most favorable impression of yourself, as the Turkish citizen said."

According to financial circles, it is very simple to make a fool of people by setting specific limits on the amount of money that can be exchanged. Moreover, the limits must be differentiated: A portion of the money (it could be income accumulated over several months) will be exchanged without any problem, on the condition, however, that it does not exceed the fixed ceiling, for example, 10 or 20 tax-free minimum sums (one minimum equals K1,400,000). You will be able to exchange "extra" money if you submit an income declaration and a certificate issued by a tax inspectorate confirming that you have paid your taxes. With the remainder of the cash, you can do as you choose. You will either urgently "subsidize" your relatives and friends, or surrender to the authorities who — and this is not excluded — will show loyalty: They will exchange the karbovantsi coupons for the hryvnyas based on a reduced rate the same day, or they will do it later, but the exchange procedure will have to be carried out beforehand. In other words, if you give away your money in the morning, you will get your chairs in the evening [a quotation from "The Golden Calf"], or the hryvnyas, to be more exact.

By the way, the money exchange procedure put forward by Oleksandr Moroz in his interview with INTERFAX-UKRAYINA Agency last Friday [8 September], confirms this version. The first portion of money is exchanged on a fixed basis, the second at a specific rate, and the third is exchanged later, thus preserving the ability to pay. This was the potential procedure put forward by the Supreme Council chairman.

"Will this take place?" Yesterday, I put this question to Ukrainian National Bank Chairman Viktor Andriyovych Yushchenko, a member of the state commission for monetary reform, and added another embarrassing question: Does the government schedule to make the noncash exchange rate higher than the cash one? Despite his inherent openness in interviews with journalists, Viktor Andriyovych admitted that there could be many options, but he refused to confirm or dismiss the above-mentioned one due to his lack of power.

The latter is regarded as quite possible because there would be no need to carry out another emission — in addition to the one scheduled for the fourth quarter — due to the redistribution of resources. In addition, one should also consider the fact that by presidential decree the Ukrainian National Bank was instructed to settle the charged and unpaid loan interest rates. According to V. Yushchenko, relevant debts amount to K25 trillion. He also thinks that if some "free" K7 trillion (the volume of the last emission of cash money stood at K221 trillion and K214 trillion of them was back) that are outside of the banks are considered, the government's move can be triggered by only one thing — to take money from the pockets of the people who are "well-off" and put it into the state's empty pockets.

The objective of withdrawing money from enterprises with the non-state form of ownership is viewed as more complicated. Truth be told, experience shows that the imagination of officials in the sphere of prohibiting or expropriating always gained the upper hand over common sense or justice. Let us recall how two years ago, to conduct a sowing campaign, fuel and lubricants [GSM] were confiscated from commercial structures because it turned out that the state had no money to buy GSM. Let us recall, for example, the prohibition against non-state economic entities opening bank accounts in places where they were not registered. One should not even mention various payments to the state: To open a trading stall, a kiosk, or a pavilion, entrepreneurs, as a rule, have to transfer money to a district development fund. This being the case, a confiscatory type of reform will mainly affect businessmen and entrepreneurs. Truth be told, it is very difficult to observe equality of all forms of ownership declared by law and not incur discrimination. Perhaps the analysis of a correlation between monetary assets in settlement and deposit accounts will not play the final role in establishing exchange rates for legal entities with various forms of ownership. However, here different versions are also possible, but the prosperity formula declared by Ostap Bender will not change: It is easy to steal, one only has to get used to it.

Anyway, when will the introduction of the hryvnya take place? If it occurs in October, it will be conducted on 15 October, after the completion wages, pensions, bonuses, and quarterly bookkeeper's reports. The entire procedure of exchanging karbovantsi coupons for hryvnyas in banks and trading enterprises will take some two-three days, as NBU Chairman Viktor Yushchenko promised. This implies that the arrival of a new monetary unit should be expected between Thursday (19 October) and Friday. However, these are just forecasts. The government, the president, and the Supreme Council may have their own opinions on the hryvnya.

Belarus

Lukashenka To Discuss Economic Integration in Moscow

LD1809183495 Moscow INTERFAX in English 1715 GMT 18 Sep 95

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] During his one-day visit to Moscow on September 19 Belarusian President Alyaksandr Lukashenka will discuss economic integration between Belarus and Russia with Russian Prime Minister Viktor Chernomyrdin, Vladimir Zametalin, head of the Political Department of the Belarussian president's administration, told Interfax.

He said that Lukashenka and Chernomyrdin are expected to discuss the implementation of the second stage of the customs agreement between Belarus and Russia, which envisages the creation of a united customs system.

Belarusian president also intends to discuss the implementation of the Treaty on Friendship and Cooperation signed in Minsk on February 21, 1995, for 10 years, said Zametalin.

According to some sources, Lukashenka and Chernomyrdin will also discuss the terms of the Russian strategic missile troops withdrawal from Belarus and other military issues.

Lukashenka Visit to Armenia 'Postponed Indefintitely'

LD1809201495 Minsk Radio Minsk Network in Belarusian 1600 GMT 18 Sep 95

[FBIS Translated Excerpt] [passage omitted] The visit by Belarusian President Alyaksandr Lukashenka to Armenia, planned for 21 and 22 September, is postponed indefinitely. A BELINFARM correspondent learned this from a source in the presidential administration.

Details of Inquiry Into U.S. Balloon Downing

WS1809133595 Minsk ZVYAZDA in Belarusian 16 Sep 95 pp 1,3

[Report by Syarhey Khrypach: "The Belarusians, Swiss, and Poles Are 'Blamed' for the Death of U.S. Balloonists. Where Is the Truth?"]

[FBIS Translated Text] **A number of questions and versions immediately surrounded the unique tragedy of the U.S. balloon which was downed over the country's territory. So what actually happened in Byarozawski rayon, Brest Oblast? Was it a waft of a new "cold war," which would be very illogical and senseless in the current political situation? Or was it absurdity that claimed the lives of two people? To put it briefly, Belarus has found itself facing a large international scandal: On the one side of the barricade there is a small, independent, and neutral state which is just gaining prestige and renown in the world, and on the other side is the United States of America, a state powerful in all respects.**

To remove all doubts and insinuations, as well as to issue an official statement for the foreign press, the members of the state commission for investigating the aircraft accident, which was set up at the president's personal instruction, provided details of their investigation on 14 September. They were reported by Yury Sivakow, commission deputy chairman and chief of the Belarusian Security Council Operational Department, First Deputy Foreign Minister Valeryy Tsapkala, and State Aviation Committee Chairman Ryhor Fyodaraw.

So, on 12 September at 0914, the Antiaircraft Defense detected a balloon in Belarusian airspace. The servicemen were surprised by the balloon's unexpected appearance, since they had no information about it. The central command post examined all applications [for flight permits]. As a result of the examination, they concluded that this flying object should not have been in that place at that time, since there was no application concerning it. Following this, Major General Valeryy Kastenka, commander of the Antiaircraft Defense, in accordance with normative acts, decided to announce the highest alert.

At 1136 a take-off order was sent to Pruzhany airfield. A MI-24 combat helicopter took off with the mission to clarify all required information about the aircraft and to identify it. In particular, the crew was instructed not to approach the object closer than 50 meters.

After a period of time, the chopper approached the "UFO" at 100 meters. This took place 4 kilometers away from another airbase — Asowtsy. The helicopter crew reported the following:

"We can see a small balloon of a 3- or 4-meter diameter. An attachment resembling a closed freight container hangs on the rope. The entire construction weighs approximately 1 tonne. There are no identification signs. Nobody is answering inquiries on the 121.5 mHz international emergency frequency. The object is moving at an altitude of 2,300 meters in a north-easterly direction over a military airfield and near a deployment site of Strategic Missile Troop units."

The MI-24 fired warning shots from 600 meters: There was no reaction. Following this, the Air Defense commander himself gave the order to destroy the balloon. The helicopter maneuvered, made a 180-degree turn, and at 1154 — three minutes after firing the first round — the young captain again pulled the trigger of the heavy machine gun. Some 20 bullets pierced the balloon, and the gondola plunged from 2,300 meters and crashed 8 kilometers east of Byaroza, in a forest near the village of Kruhlaye.

Soon after this, another two balloons were detected. They were also warned by a helicopter, but it did not come to shooting, since their crews responded to radio inquiries and identified their nationality by displaying U.S. flags. The first balloon landed in the vicinity of Zelva at 1500, and the second landed near Luninets at 1815, and servicemen from Dawyd-Haradok accommodated the crew in their barracks.

By the way, another tragedy could have happened at 1415, when the "Luninets" balloon ended up on the course of a civilian airliner, whose pilot had to diverge from the route to bypass the light aircraft.

Nonetheless, the remains of the gondola with two male bodies were found in the forest at 1415. After a quick search of shirt pockets, a wallet with dollars and identification documents were found on one of them. The dead man was a New York resident, Alan Bernard Frenkel. Later, the other man was also identified, whose identification documents proved to be hidden in underwear. He was also a U.S. citizen, John Jervis Stewart.

A working group comprising representatives of the Defense Ministry, the Foreign Ministry, and the State Aviation Committee was set up at 1700. It held a briefing at 1830, after which the investigators went to the Air Defense central command post and the Belarusian Air Navigation Center. An examination of documents and interrogation of officials produced the following results:

In March 1995, the Belarusian Air Navigation Center received from Switzerland a notice from the organizing committee of the 39th "Gordon Bennett" world ballooning championship. The foreigners asked about the possibility of ensuring safety of flights over our territory by the participants in the championship. The next institution — Belaeranavihatsyya — informed all interested ministries and departments about the preparations for the competition. Permission was soon sent to Switzerland, though on condition that on the eve of the start of the event Belarus receive a notice according to the established international pattern. No notice was sent, and nobody expected any balloons in our country. In the opinion of the commission members, the competition organizers' faults brought about the tragedy in Byarozawski rayon.

As became clear, certain questions arose with regard to Poland, with which Belarus has an agreement on each side informing one another about movements of aircraft in the two countries' airspace. The Polish Air Defense duty officer, whom his Belarusian colleagues inquired before the balloon appeared over our country, violated certain paragraphs of this agreement. The Pole unequivocally stated that nobody flew toward the border, and that a meteorological balloon had taken off recently. It proved that festivities involving balloons took place a few days ago, and one of the balloons crashed in Poland. Even this accident, however, did not alert the duty officer, who thought the balloon was a meteorological one.

The most mysterious thing in this story, however, is why the balloon crew did not react to the helicopter's warning, and why there were no identification signs on the balloon? By the way, a 720-channel radio and a U.S. ballooning club's banner were found in the gondola. Additionally, certain time entries were regularly — every hour — filed in the balloon log in one handwriting. The last entry was made on 12 September at 1000, that is, 54 minutes before the lethal machine gun fire.

According to the preliminary results of a medical examination, the version that the crew was unconscious during the contact between the helicopter and the balloon has appeared. It is possible that between 1100 and 1130 an air current elevated the balloon to approximately 8,000 meters. The crew did not manage to use oxygen the masks they had on board and lost consciousness. They were unconscious, though alive. Their remained alive until their bodies crashed in the forest near Byaroza.

The Belarusian and U.S. foreign departments have exchanged routine diplomatic notes. It has been decided to set up an interstate commission to reveal more details. A delegation of the International Federation of Balloonists has come to Belarus from Switzerland, which sent on time applications for balloon flight permits to all countries, including Ukraine and the Baltics, but for some reason forgot about Belarus. Rudolf Teymurazov, chairman of the CIS Commission for Aircraft Accidents, is already in our country. The experienced expert who presented the concluding report on the tragedy of the Korean Boeing downed by the Soviet Air Defense in Far East has also been invited.

To put it briefly, it can be said without exaggeration that the eyes of the entire civilized world are currently focused on Belarus. Everybody is waiting for the final results of a joint examination, which will certainly be made public by 1 October. Nevertheless, one still seeks the answer to the following question: Why did they shoot?

Latest Progress in Balloon Investigation

LD1809172595 Minsk Radio Minsk Network in Belarusian 1600 GMT 18 Sep 95

[FBIS Translated Text] On 16 September, Mikhail Myasnikovich, the chairman of the state commission investigating the air incident over the airspace of the Republic of Belarus, had a meeting with the leadership of air defense troops and the duty [words indistinct] of the central command point who were carrying out their duties during the incident.

In accordance with international rules of investigation, the following people were invited to take part in the joint work by the state commission investigating the air incident in the airspace of Belarus: Representatives of the International Aviation Committee [IAA] of the CIS, headed by (Rudolf Teymurazov), deputy chairman of the IAA of the CIS and chairman of the Flight Safety Commission; authorized U.S. representatives, (James Daneken), a representative of the U.S. National Commission for Traffic Safety; (Geoffrey Ridge), a representative of the U.S. Federal Aviation Administration; and (Abubarak Marzo), a medical expert of the U.S. Armed Forces.

On 17 September, there was a meeting between members of the state commission of Belarus with representatives of the U.S. side, and they expressed themselves satisfied with the progress of investigation, the qualifications of the invited experts from the IAA of the CIS, and also with the fact that the state commission, in carrying out the investigation, is strictly guided by all regulating documents.

Yesterday the remains of the air balloon were brought to Minsk, and also documents and material evidence, which were sent to the Military prosecutor's Office for detailed study. Today Mikhail Myasnikovich had a meeting with the international experts of the IAA of the CIS and the United States, with the participation of (John Boris), the U.S. charge d'affaires in the Republic of Belarus.

Early Warning System Installed Near Nuclear Station

WS1809141295 Minsk Radio Minsk Network in Belarusian 1200 GMT 18 Sep 95

[FBIS Translated Text] The Republic has initiated work in order to create a system of early warning of accidents at nuclear power stations located near the Belarusian border. As Ivan Skuratovich, deputy chairman of the hydrometeorologic committee at the Ministry of Emergency Situations, told a BELAPAN correspondent: As part of the Gamma-1 project, in the 30-km zone of the Ignalinskaya AES [nuclear power station in Lithuania], which covers half of Braslawski rayon, Vitsebsk Oblast, it is expected to build an automatic meteorological station on the shore of Dresvyaty Lake that will consist of nine stationary automated posts measuring radiation levels. Thanks to the radio system, information from [words indistinct] will be aired to Braslaw and Vitsebsk and then relayed to Minsk. [?In the words of] Skuratovich, a feasibility study of the Gamma-1 project was conducted by the British company Consulting [word indistinct]. All the equipment will be provided by the European Economic Community. In the future, the system of radiation control and warning of radiation danger will cover the entire Belarusian territory.

Moldova

Dniester Wants CIS-Type of Ties With Chisinau

AU1809174295 Chisinau BASAPRESS in English 1930 GMT 16 Sep 95

[Interview with Vladimir Rylyakov, head of the Tiraspol government's Foreign Economy Division, by unidentified correspondent "During the Meeting Between President Mircea Snegur and Tiraspol Leader Igor Smirnov" in Chisinau on 13 September: "Vladimir Rylyakov: Chisinau-Tiraspol Integration Should Be Based on the Principles Used in CIS"]

[FBIS Transcribed Text] Chisinau 16/09/1995 (BASAPRESS) —

[BASAPRESS] The leu was allowed to be used in payments by transfer in Dniester. What are your comments?

[Rylyakov] This can be assigned to the general concept of finding ways of integration into the CIS, introduction of a single currency. In Europe the monetary unification has lasted a long period. A similar system will be tried inside CIS. A total separation, generalization of a single currency, is not reasonable.

[BASAPRESS] Are you aware of the businessmen's and enterprise managers' opinion on the leu's introduction in Dniester?

[Rylyakov] It goes without saying that the Dniester ruble is not convertible and this makes it difficult to sell our own products, buy raw materials and consequently has repercussions on production. That is why, many enterprise managers favoured a multi-currency system of the leu, Russian ruble and Ukrainian karbovanets. International experience shows that most small states admit several currencies on their territory. It's a delicate matter that cannot be solved through political offensives.

[BASAPRESS] Does it mean that Yakovlev's [Professor Vasiliy Yakovlev, leader of the Bloc of Patriotic Forces in Dniester] Steering Council's resistance has pure political motives?

[Rylyakov] The man in the street is fed up with sterile ideology. He is more concerned with his economic problems, everyday life. Of course, political issues are important, like in any other state, but in no way should they be considered absolute. In this case, the economy, simple people will be the ones to suffer.

[BASAPRESS] Was Igor Smirnov's [president of the Dniester region] intention to take the floor in the Russian State Duma considered in advance by the Dniester leadership, Tiraspol Supreme Soviet or was it Smirnov's personal decision?

[Rylyakov] I can't tell you anything precise on this matter. For me it was if not a surprise an unknown thing. Earlier, there was some information that pure economic matters connected with a refund of all the money spent by Dniester to maintain the 14th Army would be examined in Moscow. These problems were to be solved by the State Duma's committees. Perhaps, during his meetings Igor Smirnov was invited to take the floor before the deputies.

[BASAPRESS] Do you think this speech by Igor Smirnov could influence Chisinau-Tiraspol talks?

[Rylyakov] I think our leaders are reasonable people and will not look at this speech as an obstacle.

[BASAPRESS] Sufficient time has elapsed since bread rationing was introduced. Has this method had any positive effects?

[Rylyakov] The fact that people can buy bread without standing in long queues is an advantage. But sure thing there's the negative side. Any rationed distribution of products, including foodstuffs, has two sides. In this very case, the quantity of baked bread has increased. Judging by statistics in Tiraspol, the quantity of bread sold has gone up by 15-18 percent. If every man has a ration, he will sure take it out. Now we are considering setting a price close to the real costs. Our bread is relatively cheap. About 75 percent of all bake products are subsidized by the state. These are enormous expenditures. Personally, I think prices for bread should not differ from those applied in Moldova and Ukraine. Then we shall have no queues or agitation. Then people will buy as much bread as they need. It is a known fact that bread is taken outside Dniester to be sold. For this reason rationed distribution was introduced.

[BASAPRESS] According to some estimates by the Chisinau media, every second motor vehicle crossing the Dniester covers an extra distance of some 100 km because the two bridges across the Dniester were destroyed. It is also said that if gathered all funds spent in vain would be sufficient to repair the destroyed bridges twice.

[Rylyakov] This matter was discussed by experts of both countries. As to the distance of 100 km you mentioned, I would like to say the following: On an area of about 150-180 km there are 6 bridges and the two bridges are not a serious problem. It's true we have not performed special estimates. The solution of this problem will become possible with the progress in overall negotiations. Some preliminary parliamentary decisions are required which will anticipate the powers bestowed upon Dniester by the special status. I mean the economic aspects here. So the practical solution of this problem would be possible. Now, Dniester people fear that the events of 1992 might repeat, including under the influence of external factors, including Bosnia where tension escalates. These factors cannot be ignored. Under these circumstances, decisive steps are needed to near each other. Certainly, these actions may not always be welcome on both banks, but one cannot suit everyone.

[BASAPRESS] This spring Dniester bankers and businessmen met World Bank representatives. What decisions were made after those meetings? Will Dniester receive foreign credits?

[Rylyakov] At those meetings we pointed to the existent problems whose solution is impeded by the uncertain situation in Dniester. Without a clear status Tiraspol may not obtain credits. Though World Bank representatives seemed to understand our wishes, we have no idea what solutions could be further suggested. We are well aware that everything depends on the course of negotiations. As of now, the following line of logic prevails: Foreign loans can be made to Dniester only via Moldova. As a result we have not enjoyed foreign assistance for two years. And everything is reduced to how the special status problem will be solved. We do not address the separation problem in absolute terms, though such proposals have been voiced as you may well know. I think a plebiscite is needed. In conditions of sharp economic crisis, people have to decide what way to take. If we are to orient toward Russia, we have to be aware of the problems we will encounter. It's not a secret — trade with Russia is not convenient. Russian energy resources and raw materials cost 25-70 percent higher than the world prices. Now we are forced to reorient from Russia toward the West, European exchanges, world markets where energy resources may be bought at more advantageous prices. No doubt, we may opt for political integration, but we have to see if this option is economically justified. Cooperation with Russia is not convenient. Russia is attractive as a market for our own goods but not as energy supplier.

[BASAPRESS] Common people in Tiraspol are perhaps discontent with "the shock therapy" used in Moscow and Chisinau...

[Rylyakov] Well, everyone is discontent with this policy. For an ordinary man it is indeed a moral shock. Radical measures would have been welcome 3-4 years ago. People could have coped with all difficulties. What is done now can be likened to a piecemeal strangulation. In the current conditions I favour a gradual transition to a market economy. It is difficult to charge world level prices because the budget will be thus in danger. For these very reasons we have introduced customs restrictions. For a period, the market has to be protected from those who export. It is not a secret that goods are heavily exported by state enterprises and businessmen. Under these circumstances, we are compelled to control the exports of subsidized goods. Therefore, the customs legislation has to be synchronized. Of course, by sticking to the CIS agreements, and not by inventing them again, all the more so as we favour rapprochement between us.

Dniester Authorities Block Access to 14th Army Depots

LD1809130295 Moscow ITAR-TASS in English 1213 GMT 18 Sep 95

[FBIS Transcribed Text] Tiraspol, Sept 18 (INTERFAX) — The authorities of the unrecognized Transdniestrian Moldovan Republic are obstructing the elimination of ammunition kept in Russia's former 14th army arms depots, Colonel Aleksandr Baranov, the deputy-commander of the Russian grouping in Transdniestria told Interfax Monday.

He said that at the end of last week the arms depots and the testing ground near the village of Kolbasnoye were blocked by units of the Transdniestrian armed forces.

He also announced that on Monday morning Commander of the Russian grouping Lieutenant-General Valeriy Yevnevich met with Transdniestrian President Igor Smirnov to discuss ways of "settling the situation."

Socialist Bloc Condemns NATO Raids Against Bosnian Serbs

AU1809140395 Chisinau BASAPRESS in English 1930 GMT 16 Sep 95

[FBIS Transcribed Text] Chisinau 16/09/1995/(BASAPRESS) — The Socialist Unity parliamentary faction issued a statement that condemns NATO actions in Bosnia. "Using the UN mandate and allegations that Bosnian Serbs are guilty, NATO forces are heavily bombing Serb regions in Bosnia," says the statement. Qualifying the NATO actions as "savage," the Socialists said that "previously, U.S. specialists refused to help Croatians attack Serb Kraijna."

Socialist Valentin Krylov told BASA that "in the conditions when the United States became the only world policeman, the idea to create an alternative military-political bloc on the ex-Soviet territory is gaining ground." Anatol Taran, Moldovan Social Democratic Party leader, earlier told BASA that NATO actions in Bosnia proved that the world has become monopolized and there isn't a balance of forces. "Under these circumstances, Moldova should employ apt diplomacy, reform its economy radically and diversify energy sources in order to shook off its exclusive dependence on eastern sources," Taran added.

Government Refuses To Recognize Bessarabian Church

AU1809144095 Chisinau BASAPRESS in English 1930 GMT 16 Sep 95

[FBIS Transcribed Text] Chisinau 16/09/1995 (BASAPRESS) — The Government Service for Religions will appeal to the Supreme Court to annul the Buiucani sector court ruling that government's refusal to register the Bessarabian Metropolitan See is illegal. Gheorghe Armasu, head of the Service for Religions, told BASA that the Chisinau Buiucani sector court ruled this decision September 12. Judge Iuliana Oprea ruled that the government should recognize the Bessarabian Metropolitan See. The decision may be attacked in a higher court within ten days. "In Moldova there is only one Orthodox church and it is impossible to recognize a group of clergymen who split the church and who were defrocked," said Armasu. Rector Petru Buburuz of the Bessarabian Metropolitan See told BASA that the court's ruling only proved that the government had acted counter to the law. Referring to Gheorghe Armasu's earlier proposal to call for the Constantinople Patriarchate to help solve the conflict, Buburuz said their participation in the solution of local matters would be useless. He said "the Russian Patriarchate should be held responsible for extending its canonical territories."

Kazakhstan

Moscow, Almaty Reach Agreement on Oil Pipeline

*LD1809220995 Moscow INTERFAX in English
1715 GMT 18 Sep 95*

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Russia has reached an agreement with Kazakhstan on the construction of an oil pipeline to stretch from Kazakhstan to the Russian Black Sea coast. This statement was made on Sunday for reporters after a meeting in Uralsk (Kazakhstan) between Russian Prime Minister Viktor Chernomyrdin and Kazakh President Nursultan Nazarbayev.

According to Chernomyrdin, Nazarbayev and he "came to an agreement on all points" concerning the Caspian Sea. "One point will be finalized by experts," he said.

Nazarbayev said that the goal of the meeting, making their positions on the Caspian Sea compatible, was reached

Speaking about the Russian-Kazakh relations, Nazarbayev said that the bilateral agreement on the customs union helped to begin the creation of financial-industrial groups and the implementation of major projects in the sphere of oil processing, in the chemical and non-ferrous industries and "solve the problems in the use by the Russian army of testing grounds on the territory of Kazakhstan."

The Kazakh president described the customs union created by Russia, Kazakhstan and Belarus as the first step towards a closer economic community which will incorporate economic and currency unions. Nazarbayev said that citizens of Russia and Kazakhstan have no problems with the exchange of Kazakhstan's currency, the tenge, for the Russian ruble both on the territory of Kazakhstan and of Russia.

Nazarbayev spend the last week-end at Nazarbayev's invitation in a state-owned country house outside Uralsk. [sentence as received]

Sources in Moscow told INTERFAX that the Chernomyrdin visit was private and combined informal consultations on a broad range of bilateral and CIS issues with recreation, notably hunting, his favorite pastime.

Chernomyrdin's party included very few close associates, in particular his press secretary Viktor Konnov.

Mekebayev on Suleymenov Posting to Italy

*954F3413A Almaty KARAVAN in Russian 25 Aug 95
No 34, p 3*

[Article by Sapa Mekebayev: "Letter to a Former Compatriot: While a Member of the Opposition, He Became an Ambassador, So, 'They Sent Him'"]

[FBIS Translated Text] You will not believe it, but life here is getting better and merrier. Not a week goes by that there is not a joyful event. Come to think of it, even two in a row. It is true that the joy from these events is sometimes experienced by a very narrow circle of people, whose number at times can be limited to just one person.

As, for example, occurred in the case of Olzhas Suleymenov, a poet well known not only to you and who, holding more than one office, is a very public figure. During the week he received a very well-deserved appointment as ambassador to the far away and warm country of Italy. It is up to Olzhas Omarovich himself to decide with whom he should hold siestas there, but the people are unanimously happy for him. And also, as is being recounted by people who are close to the circle of buffet-kitchen personnel of the only large and white house in the capital, the apparatus people are very happy for the author of the book "AsiYa." Two of them wearing ties come to the buffet, pour a little tea, and express their joy: He, a constructive member of the opposition, deserves this!

And I will say to you that our authorities are acting very wisely, in the spirit of democracy. Previously it was this way: If someone said something bad against the authorities, it was off to a psychiatric ward, to a jail bunk, and certainly there would be 10 years without the right of correspondence. But now it is very much the opposite. Someone blurts out something about the "antipeople regime," and he is immediately taken into the power structure. Two versions in this regard are making the rounds among the people. The first is that they are taken on especially in order to improve the image of the authorities and to present to the people an even very popular regime. But it turns out that according to the second version these individual intelligent citizens simply saw through the politics of the people at the top and, in order to end up in this same authority, immediately begin to criticize it, which has worked without a hitch up until now. What do you think, which version is closer to the truth? So, Ye. Yertysbayev, a socialist, was taken on as an adviser to the president; M. Isinaliyev, a "Zheltoksan" member—ambassador at large; K. Sultanov, "National Unity" member— ambassador to China, and M. Shakhanov, "National Congress" member— ambassador to Kyrgyzstan. Our country is young and we still do not have diplomatic relations with many countries. In this connection, many interesting rumors are making the rounds behind the scenes. It is being said, for example, that the position of ambassador to the Vatican is being held for Zh. Kuanyshalin; ambassador to Brazil—for A. Dokuchayeva; ambassador to the Seychelles—for M. Yeleusizov; and V. Chernyshov is destined for the Congo. Malevolent persons say that they will agree with joy. But I fully assume that they will chuckle and refuse on principle....

Yes, we also had Abay's [Kazakh poet] anniversary. Having read a lot of his "words of edification," the government arranged the kind of feast in the transition period that bowls you over. In tenge alone, 800 million came rolling out of the budget. Roads were laid in the bare steppe, lighting and telephones were brought in, and 1,500 yurts were set up. Malicious tongues say that there was not only a piddling waterline in one large yurt, but even a toilet bowl. Some residents of Semipalatinsk, looking at it, were greatly amazed and quite obviously envious of the lodgers in this yurt. The rural residents of neighboring Karaganda Oblast were not entirely happy with the festivities. Well, imagine for yourself, you have not been paid a wage for the second year, and here there is such a shindig. But quite soon, brother, we will have a new holiday—the referendum. For such an occasion the people are told: In the course of three years we will increase the income of the budget by a factor of 1.5, and you will be living off the fat of the land. And it is tactfully added: If you vote for the new Constitution.

Incidentally, regarding the fat of the land, that is, machine oil, everything should be normal. The other day the chief of the Chevron firm presented a jar of such oil to Nursultan Abishevich, as president to president.

Something remarkable has also happened with vodka and other strong drinks. We are drinking and not poisoning ourselves, because the bottles are sealed up with an excise stamp. Some 130 million tenge were slapped down to buy the apparatus to glue on the stamps. The people are satisfied.

On this note, I take my leave. Did you receive my previous letters? I am not certain. Inasmuch as the authorities are greatly persecuting KARAVAN distributors.

Isengulov on Military Problems, Doctrine

954F3422A Almaty NOVOYE POKOLENIYE in Russian Sep 95 No 32, p 6

[Interview with Aytkali Isengulov by Gaziz Nagimetov; place and date not given: "Our Military Doctrine Ensues From a Peace-Loving Policy"]

[FBIS Translated Text] He is 51 years old. A graduate of the Cherepovets Military School. He was born in Orenburg Oblast. He began his service as a soldier in the Northern Group of Forces. He was a platoon and company commander and he then switched to political work. Before Kazakhstan, he served in Belarus—he was deputy chief of the General Staff of the Belarusian Military District for military-political work. Then an adviser to the minister of defense of the Republic of Kazakhstan and chief of a department of the Foreign Relations Directorate. He served for 13 years in the Western Group of Forces. He has three children and one grandson, and his wife is a doctor. He is a 1970 correspondence graduate of the History Faculty of the Kazakhstan State University. He was a boxer for 12 years.

[Nagimetov] Aytkali Gusmanovich, on 25 April Kazakhstan, taking the path of demilitarization, destroyed its last nuclear weapon. Did it not hereby deprive itself of a nuclear shield and telling deterrent factor?

[Isengulov] Yes, Kazakhstan destroyed the last nuclear weapon at the Semipalatinsk Range. This weapon had been emplaced before the president of the Republic of Kazakhstan announced the moratorium edict, and it had to be eliminated—the destruction of the weapon the way it was done was less costly than other ways of eliminating it. The president put the issue of the destruction of the weapon to the people, and Kazakhstanis approved this decision.

You ask whether it has deprived itself of its nuclear shield? It should be considered that countries that possess nuclear weapons are themselves in the sights of other countries' nuclear missiles. Keeping Kazakhstan within such sights would have been wrong. The policy proclaimed by the president means nuclear-free state status. There's no reason for us to have costly nuclear weapons. No one is threatening Kazakhstan, and it has peaceful relations with its neighbors. Is not a positive factor the fact that for almost 50 years the question of the borders between China and the Soviet Union remained unsettled and that now our countries have adopted a document, a clause of which proclaims that the border running between Kazakhstan and China is recognized conclusively and that we have no territorial claims on each other. This is a big success of our young diplomacy. The defensive nature of Kazakhstan's doctrine does not contemplate the presence of nuclear weapons, and for this reason the Republic of Kazakhstan is developing friendly relations with its neighbors and with all countries.

[Nagimetov] A small, but well-trained, mobile army supplied with precision equipment is needed under the conditions of modern large-scale war, which the Americans demonstrated at the time of the war in the Persian Gulf. How great is the Republic of Kazakhstan Army's need for such equipment?

[Isengulov] Kazakhstan needs a small army. The republic currently has armed forces that are numerically small, and we are endeavoring to ensure that they are mobile and can assure the country's integrity and sovereignty. Speaking of provision with weapons, it should be acknowledged that the armed forces of the Republic of Kazakhstan are supplied with the weapons that were formerly the Soviet Union's, and this equipment is on a par with the best world models. The supply of modern equipment depends on the socioeconomic situation. Any equipment, be it air or ground, requires certain funds for purchase and maintenance. There was a public showing recently in Zhukovsk of aviation equipment, and our army is not armed with the Russian aircraft on display there. But if there have been engineering developments, we will shortly have them. We are concerned to ensure that our army have the most modern equipment.

[Nagimetov] And Russia will sell us this equipment on preferential terms, a military alliance has been concluded between our countries, after all?

[Isengulov] This will depend on the financial and economic advantages of the parties. If Russia manufactures these aircraft, it will need sales markets. And it is of considerable importance, of course, that Russia and Kazakhstan have concluded a treaty on military cooperation. All armies of the world have a need for new equipment, and the armed forces of Kazakhstan are no exception.

[Nagimetov] Is Kazakhstan's future membership of NATO possible?

[Isengulov] The question of membership of any international organization, be it political, commercial, financial, or military, always needs to be considered—how far this is expedient. The East European countries are not members of NATO at this time, so speaking about Kazakhstan's membership of this military bloc is premature. On the other hand, NATO could render us assistance when it comes to experience and working methods.

[Nagimetov] The Kazakhstani division is in the most dangerous section of the Afghan-Tajik border. How justified is our troops' presence there?

[Isengulov] First, what is there is not a division and not a regiment but a battalion, which is manned by various branches of the armed forces: a company of interior troops, a company of border guards, and a company of the Ministry of Defense. As far as being in the most dangerous section of the border is concerned, this was predetermined by the need for border security. You know that Kazakhstan has transparent borders with other countries, and they are for this reason concerned at the possibility of the penetration of their territory by hostile elements and the smuggling of narcotics. This has to be prevented. Our units were for this reason committed by a decision of the heads of state of the CIS to the territory of Tajikistan. This is a common task for all the CIS countries. Today one section of the border represents a danger, tomorrow the hostile elements could switch to another. A negotiating process between the Government of Tajikistan and the opposition is under way at this time, and a number of documents have already been signed. This is why the Kazakhstani battalion is there.

[Nagimetov] I would like to know about the Ministry of Defense's view of the Chechen military theater?

[Isengulov] I believe that this matter is gradually finding a solution. We hope for a political solution of the question. Weapons are being handed in and authority is being established locally in Chechnya at this time. We hope that peace and civil accord will be maintained on the territory of the Russian Federation, this is an internal matter for Russia, and it should be decided at the domestic level. Of course, it is galling for us Kazakhstanis, who have always adhered to peace-loving positions, that peaceful persons and servicemen of the Russian Federation are dying there. Contentious issues need to be resolved by way of negotiations, dialogue. Kazakhstan has made humanitarian assistance available to the people of Chechnya in the difficult period and has offered to act as a mediator at the negotiations.

[Nagimetov] What sum is allocated from the state budget for the upkeep of the army? How urgent for the army are questions of supply and pay and allowances?

[Isengulov] Ours is a small army, but its budget is not that big either. Some 13,727,547,000 tenge were to have been allocated for the upkeep of the armed forces of the Republic of Kazakhstan from the state budget this year. This is not that much. The budget has changed several times in connection with the financial and economic situation in the republic. If inflation falls, things will be better both in the national economy and in the army. The army is not currently always at the normal level in terms of meals and pay and allowances. In the first six months we obtained very little in the way of funds—12-15 percent of those planned by the budget. There have been instances of the officers and the men not being paid for two months at a time. This lacuna has now been eliminated, thanks to the government and the president, who even at this difficult time are paying attention to the army.

[Nagimetov] Is a trend toward the creation of a professional army to be observed in the military echelons?

[Isengulov] Of course, the creation of a professional army would resolve many problems. There are, for example, instances of the soldiers' going AWOL and also instances of a manifestation of nonregulation relationships or, as you say, "hazing." But the creation of a professional army will not resolve all problems. A private currently receives 190 tenge, and the soldier of a professional army has to receive at a minimum what a warrant officer receives now. The creation of a professional army would require additional funding, therefore. This could be an additional financial burden at this difficult time for the economy.

[Nagimetov] And if the economy stabilizes in the future?

[Isengulov] Of course, in the future, if it stabilizes, I, as deputy minister of defense for educational work, would be for a professional army. I am for the money invested in the soldier producing results. I would like to know that at the lever of a tank or at the control panel is a professional. He would serve to the best of his abilities because he would be getting money for his labor.

[Nagimetov] Your attitude toward alternative service? Is its appearance possible in the future?

[Isengulov] If we are moving toward a professional army, what kind of alternative service could there be? If there is a professional army, we would recruit people, canvas them, and take the best of the applicants on a competitive basis. We would not have military registration and enlistment offices but recruitment centers. So if the need for general military service disappears, the need for alternative service will, correspondingly, disappear also. Many people are in terms of their physical and intellectual development not capable of serving at all, or in terms of the level of their professional training, in armored, radiotechnical, or aviation units. I know that there is alternative service in the West, in Turkey, for example. I believe that in time it will be here too. The motion concerning alternative service is currently in the development phase, and its appearance in the future is not ruled out.

[Nagimetov] How dependable is the control over weapons in the army? There are known instances of the flight from the army of armed soldiers who have committed crimes. How high is crime in the army, where hazing reigns, as before. It is known that many new recruits cannot stand the taunting and become deserters. What can you say about this?

[Isengulov] Were I to say that I do not have such statistics, I would not be deputy minister for educational and social and legal work. If 1995 is compared with 1990, for example, control over weapons in the army has been stepped up considerably. We are constantly perfecting the security system—this involves sound and light signaling, signal terminals in the guard houses, and several layers of wire entanglements, that is, we employ all available measures to ensure that the weapons not fall into the hands of criminals. These people have a very great attraction to weapons and ammunition at this time. There are known instances of flight, when a soldier, having committed a crime, flees from justice. There are such instances, of course, the army is, after all, part of our society, and a soldier is a person who has lived in the latter for up to 18 years. It is particularly hard for him to adapt to the army initially.

Pre-conscript training in the schools, technical schools, and vocational-technical schools has been abolished in recent years. And now many people are coming to the army morally and physically unprepared. They have difficulty enduring harsh climatic conditions. With the appearance of the presidential edict on the introduction in the curriculum of the educational institutions of elementary military training many of the problems of the training of young men in the army will be resolved. Is there hazing in the army? Yes.

[Nagimetov] This is probably a problem that is hard to eradicate—it has always been this way in a male environment.

[Isengulov] Yes, you are right. I myself was a soldier at the start of the 1960's. This was a phenomenon even then. But it is not always the case that one person simply gives another a beating. Sometimes they are equally to blame. And how is it to be eradicated? The soldier needs to be constantly under the control of the officers and warrant officers. Nonregulation relationships are frequently permitted in respect to the soldiers who are failing to cope with their service duties and who become an object of derision, which has a crushing effect on them. The term of service is short—only 18 months—and we need to ensure that a soldier master his specialty and become a full-fledged mechanic, driver, operator—a true defender of the fatherland—in the first six months. Many arrive underweight and with a natural gap in their learning. This is currently a turning point in the history of our state—this needs to be taken into account. I am sure that in time the number of nonregulation relationships and flights will diminish. Compared with

1993 and last year, there have been far fewer flights in 1995. It is said that people die in the army. Do they not die in society? There are few such instances where discipline is high and where a person has assimilated his specialty well. This is why we are endeavoring to ensure that the soldier come to the army well prepared—that he has passed the young warrior course. Thirty percent fewer people died in 1993 than in 1992, and 26 percent fewer in 1994, and almost 31 percent fewer in the first six months of this year. Thirteen percent died away from service. The figure for the loss of servicemen is declining. I am pleased about this.

[Nagimetov] How important is the army's fighting spirit under the conditions of modern warfare or will this question be rhetorical for all times?

[Isengulov] At the start of the interview you raised the question of the operations of the U.S. Army in the Persian Gulf. At that moment the Iraqi Army had almost 2 million men, the allies, just under half a million. The Iraqi Army was demoralized following the allies' air raids and put up no resistance when the fighting on land started. Although they had not experienced the horrors that befell the Red Army in 1941. The spirit of our fathers and grandfathers helped them withstand the onslaught of an enemy of superior strength—they knew what they were fighting for. This helped them stand fast and not retreat, and we have this year commemorated the 50th anniversary of the Great Victory. Morale and psychological training have always been and remain the most modern weapons.

[Nagimetov] The Kazakh people have always been renowned for their warriors. Not every small people could defend such a vast territorial area.

[Isengulov] You are right. The nation has always been small. We are performing an enormous amount of work in this direction. I have to say that the Directorate of Educational and Social and Legal Work is one of the smallest. In 1995 we formed an information and propaganda department. Following the collapse of the Union, we disbanded the political authorities—many thought propaganda was now unnecessary. This was wrong. Loyalty to one's constitutional duty and our supreme commander, order and discipline, and the army's illustrious traditions need to be propagandized. This is the cement of the army.

[Nagimetov] The pre-revolution Russian Army had the "honor of the officer" concept. Is it alive today, and if not, would it make sense applying certain efforts to revive this concept?

[Isengulov] This concept was not only a privilege of the Russian Army. In the Kazakh volunteer detachments the commander's word was always what was most important. An officer leading soldiers on dangerous operations, unless he has honor, will have no authority and will hardly be able at the arduous moments of battle to raise his men to the attack and accomplish a mission entailing risk to his life and the people under his command. An officer's honor needs to be affirmed by his attitude and his behavior, therefore.

[Nagimetov] Does the army of the Republic of Kazakhstan have a rapid-response force?

[Isengulov] Not officially but we have other subunits capable, if necessary, of mobility—assault-landing formations, for example.

[Nagimetov] Does Kazakhstan have its own military doctrine?

[Isengulov] Yes. We have a defensive doctrine, according to which we have neither military nor political claims. Our doctrine ensues from a peace-loving policy, but it must not be frozen.

[Nagimetov] Thank you for the interview.

Kyrgyzstan

Opposition Protests Referendum Extending Presidency

LD1809191395 Moscow INTERFAX in English 1715 GMT 18 Sep 95

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy, and edited by Vladimir Shishlin]

[FBIS Transcribed Text] Press secretary of the head of state Kamil Bayalinov told journalists on Monday that the decision to hold a referendum on extending Akayev's presidential powers before the year 2001 is within the competence of parliament. The president, he said, has no constitutional rights to solve this problem himself. Only the supreme body of legislative power may announce both the elections and the referendum and to create the Central Election Commission.

Bayalinov also said that the hullabaloo made by the opposition in this connection and the criticism against the president that he allegedly was the initiator of the campaign for extending his own powers "are not worth a dime." This, he believes, "distracts the people from the country's vital problems."

The press secretary said that the parliament will take a decision soon on whether it is worth while to hold a referendum.

Meanwhile, a protest action against the referendum took place on Monday in the center of Bishkek in front of the Government House. It was organized by a group which involves people's deputies of the legislative assembly and the assembly of people's representatives, by members of the Democratic Party Erkin Kyrgyzstan, by Kyrgyz Communists, as well as by other public and political movements and parties.

Around 30 people took to the streets with slogans which read: "No to the Referendum!", "Yes to Alternative Elections!". They also demanded that the Central Election Commission for the referendum be immediately disbanded.

One of the protesters has told Interfax that on Monday seven demonstrators began a hunger strike. They intend to continue it until a decision cancelling the referendum is taken.

One of the strikers has told INTERFAX that the group to collect signatures in support of the referendum was created by the authorities "under the threat of dismissals".

A statement which was approved by the protest action organizers, reads that "the referendum runs counter to the Constitution which says that the Kyrgyz president is elected by a nationwide vote. To extend Akayev's powers through the referendum is to usurp power."

Parties Demand Check of Signatures

LD1809190895 Moscow INTERFAX in English 1739 GMT 18 Sep 95

[FBIS Transcribed Text] Bishkek, Sept 18 (INTERFAX) — Several Kyrgyz parties and movements have demanded that the authenticity of signatures in support of holding a referendum on prolonging Askar Akayev's presidential term until 2001 be checked.

Members of the Erkin Kyrgyzstan Democratic Party, Communist Party, Agrarian Labor Party, Ata-Meken Party and other movements called for such a check at a news conference in Bishkek Monday.

Earlier today, about 30 representatives of these parties protested in front of the government building in Bishkek against prolonging Akayev's presidential term.

They claim the 1,200,000 signatures in support of the referendum were gathered fraudulently and "there is information that people were intimidated into signing by threats to deprive them of their salary or to fire them."

Yuruslan Toichubekov, parliament deputy and one of the leaders of the Adilet movement, said that the parliamentary session set to begin on September 26 is likely to approve holding the referendum because most deputies are Akayev's supporters.

Tajikistan

Kozyrev Arrives For Talks With Tajik Leaders

LD1909101195 Moscow ITAR-TASS in English 0959 GMT 19 Sep 95

[FBIS Transcribed Text] Dushanbe, September 19 (ITAR-TASS) — Russian Foreign Minister Andrey Kozyrev began his visit to Tajikistan today. He arrived in Dushanbe, the Tajik capital, after paying a brief visit to Tashkent, the capital of Uzbekistan.

The Russian Foreign Minister plans to discuss with Tajik leaders a package of problems linked with the further stabilisation of the socio-political situation in Tajikistan and preparations for the next round of the intra-Tajik talks. He told journalists at the Dushanbe airport that the purpose of his visit was to determine the sequence of the steps that have to be taken to implement the agreements reached during Tajik President Emomali Rakhmanov's visit to Moscow.

Kozyrev recalled that during the meeting between Russian President Boris Yeltsin and Rakhmanov the sides had reached agreement on the priority development of "allied-type" relations between the two countries, as the foreign minister put it. At the same time, Kozyrev expressed concern in connection with the continuing escalation of tension on the Tajik-Afghan frontier. He plans to visit in this connection some sectors of the Tajik-Afghan border.

The Russian Foreign Minister will meet President Emomali Rakhmanov today afternoon. In accordance with information received from government sources, the talk will focus on problems linked with the upcoming round of the intra-Tajik dialogue, which was to begin on September 18, but had to be put off due to the disagreement of the conflicting sides on the place where the dialogue should be continued.

UN Observer Killed Near Kurgan-Tyube

LD1809123995 Moscow ITAR-TASS World Service in Russian 1209 GMT 18 Sep 95

[By an ITAR-TASS correspondent]

[FBIS Translated Text] Dushanbe, 18 Sep — Lieutenant Colonel Wolf Sponner, a UN observer from Austria, was killed on the outskirts of the town of Kurgan-Tyube at midday local time today. This information was confirmed at the mission of UN military observers in Dushanbe.

Lt. Col. Sponner was the head of the group of the mission of military observers in Kurgan-Tyube, administrative center of Khatlon Region in south Tajikistan. This is the first casualty among the UN observers in Tajikistan.

Border Guards Seize Narcotics

954F3474A Moscow PRAVDA in Russian 12 Sep 95 p 4

[Unattributed article: "Narcotics Intercepted at Border"]

[FBIS Translated Text] Russian border guards frustrated another attempt at contraband shipment of drugs Sunday night. As ITAR-TASS reported yesterday in the press group of the command headquarters for Russian troops in Tajikistan, when inspecting a truck coming from the administrative center of Gorno-Badakhshan in Tajikistan, the city of Khorog, to the Kyrgyz city of Osh, at the Karas control point, border guards of the Murgab border detachment discovered 30 kilograms and 400 grams of raw opium. The drugs were destroyed and the driver held for operational investigation.

According to information from the press group, in August of this year alone border guards have seized more than 390 kilograms of raw opium from contraband operators. Most of the drug transactions were interrupted in the border strip of the Gorno-Badakhshan Autonomous Oblast in Tajikistan, which, as before, is still the main bridge for the transfer of raw opium from Afghanistan to Osh Oblast in Kyrgyzstan.

Armenia

Armenian, Turkmen, Iranian Foreign Ministers Meet

LD1809125295 Moscow INTERFAX in English 1130 GMT 18 Sep 95

[FBIS Transcribed Text] Yerevan, Sept 18 (INTERFAX) — Talks on economic cooperation between Armenia, Turkmenistan and Iran at foreign minister level began in Yerevan Monday [18 September].

Earlier similar meetings were held in Tehran and Ashgabat. The Ashgabat talks on July 26-27 finalized an agreement on trade and economic cooperation as well as letters of intent concerning power engineering and transport.

Armenian Foreign Minister Vahan Papazyan told INTERFAX that after a meeting of experts a document on cooperation in banking and power engineering might be signed Monday.

Experts started work Sunday evening in four spheres: transport, energy, banking and trade. Among other things they are to develop a mechanism for mutual settlements and will define the volume of commodity exchanges between the three countries.

The delegations are to meet Armenian President Ter-Petrosyan Monday.

Delegations Agree on Closer Cooperation

LD1809190095 Moscow INTERFAX in English 1739 GMT 18 Sep 95

[FBIS Transcribed Text] Yerevan, Sept 18 (INTERFAX) — The foreign ministers of Armenia, Turkmenistan and Iran signed a memorandum on mutual cooperation in Yerevan Monday.

The three sides confirmed their intention to comply with earlier decisions concerning financial, banking and trade cooperation and simplified visa exchange between the three states.

Iranian Foreign Minister 'Ali Akbar Velayati told journalists that the three foreign ministers will meet next in Ashgabat in December, while the three countries' presidents are expected to meet in January.

Turkmenistan plans to introduce a new gas pipeline to Iran in December. The pipeline will eventually pass across Armenia.

President Receives Talks Participants

NC1809202895 Yerevan Armenia's Radio First Program Network in Armenian 1900 GMT 18 Sep 95

[FBIS Translated Text] Armenian President Levon Ter-Petrosyan received today the participants in the regular meeting between Iran, Armenia, and Turkmenistan held at the level of foreign ministers.

The Armenian Presidential Press Service reported that Levon Ter-Petrosyan expressed satisfaction with the progress in tripartite cooperation, noting that it is imparting an additional impulse to the development of existing close relations.

The president wished productive work to the foreign ministers of the three countries for the sake of consolidating trade and economic cooperation.

Iranian Foreign Minister Mr. Velayati said that this cooperation will serve as a good example for other countries which, if they so wish, could join the three countries.

Turkmen Foreign Minister Shikhmuradov described the tripartite cooperation as a civilized and mutually acceptable exemplary form of integration.

Matters relating to regional politics and prospects for trade and economic development were discussed at the meeting.

Bagratyan Receives Velayati

NC1809164895 Yerevan Armenia's Radio First Program Network in Armenian 1300 GMT 18 Sep 95

[FBIS Translated Text] Armenian Prime Minister Grant Bagratyan received today an Iranian delegation headed by 'Ali Akbar Velayati. The delegation arrived in Yerevan the day before yesterday to take part in the regular tripartite talks between Armenia, Iran, and Turkmenistan.

The Iranian foreign minister briefed the Armenian prime minister on the work being done to implement the agreements signed between the two countries in Tehran last May and particularly on efforts to lay a gas pipeline and a power line. Matters relating to the financial guarantees for these projects were discussed. The sides also noted the necessity of improving the work of the Meghri customs post so as to ensure unimpeded communication in view of increasing (?freight transportation). It was agreed to keep the custom posts on the Armenian and Iranian side open around-the-clock.

Our correspondent Anush Harutyunyan met 'Ali Akbar Velayati after the meeting.

[Begin recording][Harutyunyan] The third tripartite meeting between Turkmenistan, Iran, and Armenia was the main reason for Mr. 'Ali Akbar Velayati's visit to Yerevan. The third session of the tripartite meeting opened yesterday. 'Ali Akbar Velayati made the following comment:

[Velayati speaking in Persian in the background as Harutyunyan provides translation in Armenian] At the opening of the session, relevant commissions and working groups were formed which have already started to work. The result of their work will be examined and summed up during today's tripartite session. The meeting also gave me the opportunity to meet the prime minister who visited Iran only recently. We discussed matters of mutual interest. Both sides displayed good will which will help to speed up [word indistinct]. [end recording]

Papazyan Receives Velayati

NC1809171195 Yerevan Armenia's Radio First Program Network in Armenian 1300 GMT 18 Sep 95

[FBIS Translated Text] Armenian Foreign Minister Vahan Papazyan received Iranian Foreign Minister Dr. 'Ali Akbar Velayati this morning. In warmly greeting the high-ranking Iranian guest, the Armenian foreign minister noted that Armenia gives great importance to the development of Armenian-Iranian ties.

Velayati stressed that friendly ties exist between the two neighboring countries and the Iranian delegation is visiting Yerevan to spur not only political but also trade, economic, scientific, and cultural ties.

A broad range of issues of mutual concern were discussed during the meeting, in particular the regional situation, the efforts aimed at resolving the Nagorno-Karabakh conflict, and prospects for regional economic cooperation.

Papazyan Receives Turkmen Foreign Minister

NC1809175795 Yerevan Armenia's Radio First Program Network in Armenian 1300 GMT 18 Sep 95

[FBIS Translated Text] Foreign Minister Vahan Papazyan today received Boris Shikhmuradov, deputy prime minister and foreign minister of Turkmenistan. During the friendly and sincere conversation that characterizes the two countries bilateral ties, matters relating to developing tripartite economic cooperation and deepening the extensive Armenian-Turkmen relations were discussed.

Trade Memorandum Signed

LD1809173995 Tehran IRNA in English 1728 GMT 18 Sep 95

[FBIS Transcribed Text] Yerevan (Armenia), Sep. 18, IRNA — The third session of the trilateral meeting among Iran, Turkmenistan and Armenia, at the level of foreign ministers, came to an end here Monday after the signing of a memorandum of understanding.

The third session set up four different committees on trade, banking, transportation and energy and the three countries have agreed to cooperate closely in the economic field.

The memorandum which bore the signatures of the Iranian, Turkmen and Armenian Foreign Ministers, 'Ali Akbar Velayati, Boris Shikmuradov and Vahan Papazyan respectively, is on exports of fruits, dried fruits, clothing items, and textile material, industrial merchandise, and vehicles from Iran.

Iran has also agreed to provide industrial, engineering, technical mining and educational services to the signatory countries. While Armenia has committed itself to supply Iran with raw and mineral materials, heavy duty vehicles and tires in exchange of the gas supplied by Iran.

Turkmenistan will provide Armenia with oil products and other products. The three countries also came to understanding on the method of payments agreed by the representatives of the Central Banks of the said countries.

It has also been agreed that the fourth joint session will be held in Tehran in January 1994. However, the experts Committee will be held in Ashgabat prior to the fourth trilateral meeting.

Georgia

Shevardnadze Weekly Interview

LD1809143395 Tbilisi Radio Tbilisi Network in Georgian 0541 GMT 18 Sep 95

[Interview with Eduard Shevardnadze, chairman of the Georgian Council of State, by reporter Nato Oniani; place not given — live]

[FBIS Translated Excerpt] [Oniani] Mr. Shevardnadze, the past week has been very important, primarily because of economic developments, and we have to consider several aspects. First, there was a visit to Georgia from Russian Prime Minister Viktor Chernomyrdin, which, according to the Russian media, had a political flavor and, at the same time, served as support for Shevardnadze.

Chernomyrdin pointed to four major priorities in relations with Georgia. These are power engineering, fuel, bread, and transport. In addition, his position regarding the transportation of Caspian crude oil through Georgia had great significance. He said Russia has nothing against it and a similar view was reflected in your joint statement. Finally, there was a very important decision about Russian military bases in Georgia. Could you comment on this?

[Shevardnadze] Good morning. I have to apologize for being late. Now for the main points. A foundation for fresh relations between Georgia and Russia was laid, as you might remember, on 3 February 1994 during a visit to Georgian by Russian President Yeltsin. Then, along with other documents, we signed a comprehensive treaty on friendship, cooperation, and good-neighborly relations and thus created a reliable legal basis for relations between the two countries. First outlines of our fresh relations were drawn during Mr. Yeltsin's visit. Time has passed since then and it became necessary to start a new stage in the development of the links between the two countries which meant a fresher and more pragmatic approach to the issues on which we had reached global accord. This was the aim of the visit to Georgia by Russian Prime Minister Chernomyrdin. The visit can be regarded as a new stage in building relations between Russia and Georgia.

Mr. Yeltsin has said a lot about the significance of the Russo-Georgian strategic partnership and Mr. Chernomyrdin also regards the strategic partnership as an issue of vital importance. He spoke about this in his official speeches as well as during our private conversations.

Now for the results. During negotiations, the state of and prospects for political, economic, scientific, technical, and cultural links between the two countries were considered. I would draw your attention especially to our tete-a-tete meeting, which lasted for almost three hours. Along with other issues, we spoke about stability and security in the Caucasus region and primarily about settling the Abkhazian and Georgian-Ossetian conflicts. We had full mutual understanding and we agreed that the time has come finally to settle the conflicts. [passage omitted]

Mr. Chernomyrdin confirmed once again Russia's known position concerning complete support for Georgia's territorial integrity. He also said that it is impermissible for Russia — Russia will not permit — Russia will spare no efforts to retain Georgia's territorial integrity as stipulated by international law and international agreements. He said that the Russian authorities are firmly resolved to take effective measures aimed at settling the conflicts on the basis of universal principles which had been repeatedly recorded in the resolutions of the UN Security Council as well as at the CIS Almaty and Minsk summits, which must be especially emphasized. So, he confirmed that from now on, concrete actions are needed to implement the agreements.

The issue of the oil pipeline gave rise to many versions and aroused overall interest. I have to say that expressing Russia's stance with regard to this issue, Mr. Chernomyrdin said that it is the consortium who can plan the direction of raw oil export. Russia will accept with understanding any decision by the consortium. First of all, all this should be based on good estimates because it depends on finances. The simultaneous transportation of oil through Russian and Georgian territory cannot be ruled out, either.

[Oniani] This was your project, was it not?

[Shevardnadze] It was. This issue will presumably be discussed again and again. There was very serious discussion over stationing Russian military bases on Georgian territory. I am not going to reiterate that this is an issue of great complexity and difficulty for everyone and for each citizen. Having taken into account international relations and Russo-Georgian relations in particular — mutual interests, the balance of the interests, and our global interests, we agreed to sign an agreement on military bases. However, the document needs to be ratified by parliament before it comes into force.

For its part, Russia has assumed responsibility — and this is included in the signed documents — to continue its so far successful assistance in forming Georgian armed forces. This assistance has already begun. Second, it will actively support us in rehabilitating our economy. Some think that the issue of economic cooperation is not so significant and it was probably not worth making such a concession. This is one component of the agreement but when I speak of economics and economic relations with various countries and especially Russia, I mean that after all this is the issue of life, the issue of survival, the issue of saving people. The decision is of profound significance if we also take into account that we will be able to manage to settle the problem as soon as possible and provide the people with fundamental conditions for existence through the Russian assistance and thanks to them, and through relations with Russia and with other countries.

Apart from that, I have already told you, we received a very serious assurance and promise that the signing of these documents will expedite the settlement of the two conflicts, I mean the Abkhazian conflict and the Georgian-Ossetian conflict.

[Oniani] It was indicated in the joint statement, was it not?

[Shevardnadze] It was and, actually, a lot has been said about it and I believe it will become clear shortly.

Russia pledges to restore a 500kW power line called the Kavkasioni using mainly its own means before the end of 1995, or rather by mid-November. We will cooperate in restoring Tbilisi district power station and maintaining and bringing to order some other facilities relating to power engineering. [passage omitted] We cannot cope with the job on our own, first of all because 25 kilometers of high voltage cables have been dismounted, stolen, looted, sold, and destroyed.

Before the end of 1995, Russia will allocate a quota of 150,000- 200,000 tonnes of wheat. In return, we will supply them with wine, wine products, and other agricultural produce.

Also in return for Georgian produce, Russia will supply 500 million cubic meters of natural gas and 20,000 tonnes of liquified gas, which will be used to start running our idle enterprises and will be of great help to our population. And all this will happen this year, before the end of the year.

In order to overcome problems caused to Georgian agriculture by drought, Russia will allocate grain seed in the form of humanitarian aid.

The Russian Government will allot a short-term credit of 30 billion rubles [R] to Russian enterprises to enable the grape harvest of this year to be purchased and I would say that this will solve the problem of saving Georgian vine. [passage omitted] Another important agreement has been concluded concerning Russia's active assistance in rehabilitating the Georgian transport structure and first of all Georgian railways. This includes the reconstruction of the railway lines, replenishment of the rolling-stock and, what is more, the renewal of railway traffic to Russia. The latter will, indeed, take place within the conditions of settling the Abkhazian conflict and at the initial stage Russia will commit itself to securing safety along the line of communication — I mean the section between Veseloye and Ingiri. [passage omitted]

To cut the story short, the visit of the Russian prime minister to Georgia clearly outlined the priorities in the development of cooperation between Russia and Georgia. I will reiterate now. These are the formation of Georgian armed forces and Russia's active participation in this process; cooperation, and Russia's assistance in the spheres of provision with fuel, power, transport, and foodstuffs, and, most important, strengthening Russia's practical and concrete role in settling the conflicts as stipulated by the decisions made during the visit.

[Oniani] Mr. Shevardnadze, a very important decision was made last week, or rather a statement was made that the national currency will come into circulation as of 25 September. This is a monetary reform, a big and important reform. Is it not an excessively courageous and hazardous step especially in the run-up to the elections?

[Shevardnadze] This is more than a reform. A reform may be like this: a state has its own currency and it may change rates, introduce new banknotes, or something else. But ours is the introduction of a new national currency. Therefore, it is a really historic event. [passage omitted]

The monetary reforms resulted from the measures to implement a program of macroeconomic stabilization and financial improvements, which was launched in September last year and has been implemented quite consistently. [passage omitted]

The national hard currency, the lari, which will become the only, I repeat, the only legal tender in the country as of 2 October, unlike the coupon, will acquire all monetary functions including the function of savings. This will become a foundation for an incentive to expand production on the sound financial basis of a new stage of the reforms. It is important that we perceive that conditions for the introduction of the lari have been secured by objectively matured economic factors and the event has nothing to do with elections.

[Oniani] I meant something else. If the currency devalues, the step will prove to have been too risky in the run-up to the elections. It is a risky step rather than an advantageous one.

[Shevardnadze] Indeed. Everything is risky including this. There were many who advised me to refrain from this decision at the moment and to wait until the elections are over. [passage omitted]

But I have to reiterate that the introduction of the lari was prompted by objective factors. [passage omitted]

After the introduction of the lari, the scope for the use of the national currency broadens substantially. The reserve currency will be used to support its rate. It is guaranteed. There will be no obstacles for any foreign trade operations. [passage omitted]

The main thing is for the population to have faith that the state is accountable for its commitments to the citizens. [passage omitted]

The lari is secured by hard currency the resources of which will continuously be replenished as a result of fruitful cooperation with the International Monetary Fund and the World Bank and, what is more, the development of industry revitalized by the functioning of a full-value national currency. That is why I have said that this is one of the major stages of building Georgia's statehood.

[Oniani] Yet another significant event of the past week. You signed regulations on expanding the rights of local governments. It can be regarded as an event of major importance in the life of the country.

[Shevardnadze] You are right. You and I often use the words: major importance. It is so, indeed. [passage omitted]

In the process of the formation of the state, the state authorities and institutions of local government acquire special significance. It is impossible for the country to rise without their efficient activities. In addition, the process of the state formation requires continuous adjustment of the mechanism controlling this process. A legal basis for the institutions of local government was created on 2 August 1993 when regulations for institutions of local government in districts and towns of the Republic of Georgia were approved by the head of state. The regulations have accomplished their role, especially because authorities governing the economy and other spheres were concentrated in districts and towns. The authorities stipulated by the regulations have played a noticeable role and have done a noticeable service for the country. I believe that we have approached a new stage now. Unfortunately, the parliament will not be able to adopt a law on the institutions of local government in the next few months. But because the reform started in the sphere of the economy has created new problems in governing the state, it is inadmissible to delay the settlement of these problems for months. Action should be taken right now. [passage omitted]

The reform requires that it reach each individual, to the lowest level of governing. That is why it has become essential to decentralize the present centralized system of governing as far as possible and redistribute functions among the local authorities of districts and villages, communities and towns subordinate to them.

With this purpose, regulations on local authorities of the Republic of Georgia have been drawn up. The regulations will be in force until local government institutions have been elected. Their fundamental aim is to facilitate the implementation of the economic reform, on the one hand and, on the other hand, to prepare economic and legal bases for institutions of self-government and enhance the participation of local bodies in securing a drastic improvement in the living standards of the local population.

The regulations will be interim but I do not like the word interim because they must be accepted as a law which will be adopted by our parliament, I believe, later. [passage omitted]

The regulations delimit commitments among the governing authorities of districts and those of administrative and territorial divisions included in the districts. Responsibilities and rights have also been redistributed accordingly. Settling all the issues directly linked to serving the population in villages and towns has been assigned to the subordinate institutions of government. Issues relating to state interests and those which cannot be settled at the level of the subordinate authorities will be retained within the competence of the district, city, and provincial authorities. [passage omitted]

The regulations stipulate the creation of local governments, that is, full-value collective governing bodies. [passage omitted]

I believe that the introduction of the lari and the introduction of the new regulations on local authorities, which I signed yesterday, have similar significance and I would say that the latter is even more important. [passage omitted]

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I believe that the introduction of the lari and the introduction of the new regulations on local authorities, which I signed yesterday, have similar significance, and I would say that the latter is even more important. [passage omitted]

[Oniani] Time has passed since the 29 August terrorist act [Attempt on Shevardnadze's life], and it is natural that the attention of the press, as well as the people, is still focused on it. When a terrorist act against the top officials of the state is prepared, there is usually some information about it. In your case, we know, and we have seen what happened. Is the investigation of the terrorist act making any progress —and not only that one? I mean also the earlier terrorist acts, for instance, against Gia Chanturia, or Soliko Khabeishvili?

[Shevardnadze]] I am constantly being informed about developments, and I receive reports which must be available for the head of state. I am meeting Shota Kviraia, the interior minister, later today. I am also meeting Jamlet Babilashvili, the prosecutor-general. Tomorrow I will meet with leaders of the Security Service. You know I have already met them for a serious talk. I believe that later today some extremely important and extremely interesting things will become known to the population. Indeed, this will be done in such a way as not to harm the investigation.

The most terrible thing is that, according to preliminary reports, the 29 August terrorist act was a well-arranged and professionally prepared action, linked with official structures, and it was the beginning of the implementation of far-reaching adventurous plans. All this will be revealed publicly, and will include details about the 29 August act, as well as those tragic events you have just mentioned. I do not wish to speak ahead of events. Let us wait until our meetings today; I believe they will elicit many issues.

[Oniani] You returned from Oni late last night. The Jewish, as well as the Georgian population of Oni District celebrated the centenary of the Oni synagogue. There were guests from abroad, our compatriots; Georgian Jews arrived for the celebrations from Israel. It was significant and noticeable that Jews and Christians stood together in the synagogue forecourt. And they showed no discontent; on the contrary, it demonstrated our spiritual warmth.

[Shevardnadze] I would like to speak briefly about this. I spoke there yesterday, and there will probably be a report on it. [passage omitted] I wish to say that Georgians are a nation of deep-rooted and the richest of traditions. This enormous spiritual wealth, which is beyond value, will serve as a guarantee of the nation's immortality and prosperity. I am sure about this. Relations with other nations, an aptitude and a talent to have contact with other nations — a great talent, and aptitude to coexist with others and tolerance of our people are part of these historical traditions. [passage omitted]

The numerous political and ethnic conflicts throughout the world can be settled not only by direct combat against aggressive separatism, but also through popularizing special instances of tolerance as demonstrated by mankind, including the Georgian people. [passage omitted]

[Oniani] We are in the period of the run-up to the elections. Many candidates for the presidency have already been registered.

[Shevardnadze] Do you remember how many are registered?

[Oniani] I make it 13. There are sociological polls and research. A newspaper has published results of an opinion poll. I will not name the candidate, but the results are interesting: Forty-six percent of the population support him, and 31 percent support you. Everyone conducts his election campaign as he can. How serious do you think the other contenders are? They are different people with distinguished opinions about them, and they have various weight in society.

[Shevardnadze] Do not get offended, but the question seems a little provocative. [laughs] Seriously, the large number of candidates is not a problem for me, although I have to say it does not speak of a really high level of our political culture. As far as my rivals, the nominated candidates, are concerned, the bouquet taken as a whole is interesting. As for each one separately, I would put an ellipsis here; an ellipsis is quite meaningful by itself for drawing conclusions, and the people should give it a thought.

'Terrorist Group' Arrested For Attack on Shevardnadze

LD1809184195 Moscow ITAR-TASS in English 1734 GMT 18 Sep 95

[By Tengiz Pachkoria]

[FBIS Transcribed Text] Tbilisi, September 18 (ITAR-TASS) — The Georgian Interior Minister announced on Monday that the republican law enforcement bodies have arrested a "terrorist group" responsible for last month's attempted assassination of Georgian leader Eduard Shevardnadze.

Shota Kviraia told national television that the same group was behind three political killings committed during the past sixteen months, including those of deputy Interior Minister Geya Gulua, chairman of the National Democratic Party Giya Chanturia and chairman of the "Democracy and Revival" foundation Suliko Khabeishvili.

Kviraia said that the "terrorist group" included Deputy Securuty Minister Teimuraz Khachishvili and head of Georgia's Rescue Corps (formerly the Mkhedrioni paramilitary organisation) Giga Gelashvili. The Interior Minister added that the terrorists had confessed.

No direct charges have been voiced against Mkhedrioni's architect and Shevardnadze's arch-foe Jaba

Ioseliani. However, Georgian Prosecutor-General Dzhamlet Babishvili said that the search for those who ordered the assassinations will be continued.

Minister Names Organizers of Attacks

LD1809185595 Tbilisi First Program Television Network in Georgian 1559 GMT 18 Sep 95

[FBIS Translated Excerpt] In his regular Monday radio interview, Georgian Head of State Eduard Shevardnadze said he would meet Georgian Interior Minister Shota Kviraia and Prosecutor General Jamlet Babilashvili. This meeting has taken place. The meeting was also attended by Avtandil Ioseliani, acting chairman of the Georgian Security Service. The discussion dealt with recent terrorist acts in Georgia. In this connection, we have interviewed the Georgian interior minister and prosecutor general.

[Begin recording] [Kviraia] We presented the Georgian head of state with full information concerning the terrorist acts that have been carried out in our republic recently. I can [word indistinct] say today that among the solved cases are the killings of Mr. Gia Gulua [deputy interior minister], Mr. Gia Chanturia [chairman of the National-Democratic Party], Mr. Soliko Khabeishvili [Shevardnadze's close associate], and the latest terrorist act against the head of state.

Members of the terrorist group, both the organizers and perpetrators, have been arrested. You may ask who the organizers of these acts were. One of the organizers is the former chairman of the Security Service, [Temur] Khachishvili. Another organizer, it is now clear, is the chairman of the Rescue Corps [formerly Mkhedrioni], Giga [also known as Giorgi] Gelashvili. Other members of the group have also been arrested. Later you will receive full information on who these people are. [passage omitted]

As interior minister, I must note today that the work to solve these crimes was carried out by the department for the fight against organized crime [of the Ministry of Internal Affairs], led by General Targamadze. It is embarrassing for me to be saying this, but it is thanks to that department's officers that four most serious crimes have been solved in 16-17 days [after the 29 August car bomb attack]. Of course, it is also the result of joint work with and support from the republic's Prosecutor's Office. [passage omitted]

I am convinced that not only these terrorist acts but also other killings committed in the republic recently will be solved. That is briefly what I can tell you.

[Babilashvili] We briefed the head of state on the work carried out by the Interior Ministry and the Prosecutor's Office in connection with the recent crimes, in particular the terrorist act of 29 August — an attempted coup d'etat. [passage omitted]

In a short period of time significant work has been carried out, criminals have been exposed, a major criminal group has been exposed which, in fact, was involved in all those terrorist acts. Unfortunately, it is clear that there has been a criminal alliance between some leaders of the Rescue Corps and leaders of the Security Service. In particular, I mean a former general of the Security Service, Temur Khachishvili.

I can say confidently that the initial investigation has been carried out in full compliance with the law. Evidence has been obtained absolutely lawfully. All activity has proceeded against the background of protection of human rights and legality. I will confine myself to that brief information about these criminals. I am sure that in a very short time it will be established who was behind this criminal group and what were their aims in fighting our state, country, and people. [end recording]

So in 17 days the department for the fight against organized crime, corruption, racketeering, and economic sabotage, led by Major General Kakha Targamadze, managed to solve four terrorist acts. This is unheard of in world legal practice.

As is known, the Interior Ministry did not have a special department for the fight against terrorism and sabotage. Fighting these and other crimes against the state was the prerogative of the republic's State Security Service. Because of the fact that terrorism had become widespread in the republic in recent years and that all such crimes had remained unsolved, the head of state decreed the setting up of the aforementioned department within the Interior Ministry. [passage omitted]

You will probably remember that in the second half of 1994 tension increased significantly in relations between the leadership of the Georgian National-Democratic Party and leaders of the Rescue Corps and the State Security Service. The chairman of the National-Democratic Party, Giorgi Chanturia, was exposing mafia and criminal groups within these two organizations.

Meanwhile, under the leadership of Khachishvili and Giga Gelashvili, two groups were set up at the end of November 1994. The groups, which included their personal bodyguards, were entrusted with eliminating Giorgi Chanturia. On 3 December 1994 people from the Khachishvili group lay in ambush in a VAZ-2106 car near Giorgi Chanturia's house, while Gocha Tediashvili and Gocha Gelashvili were waiting in a nearby building. At 0940, when Giorgi Chanturia and [his wife] Irina

Sarishvili came out of their house and got into a car together with persons accompanying them, they were fired on. As a result, Giorgi Chanturia and his bodyguard were killed.

In this connection, Temur Khachishvili, Giga Gelashvili, Gocha Gelashvili, and Gocha Tediashvili have been arrested. They have admitted to the crime. [passage omitted]

It has emerged that the chairman of the Rescue Corps, Giorgi [Giga] Gelashvili, set up a group which included the head of the corps' transport department, Nikoloz Gedevanishvili, and Gelashvili's bodyguards Gocha Gelashvili, Gocha Tediashvili, and a certain Nugzar nicknamed sniper. On 20 April 1994 they killed with automatic weapons Gia Gulua and persons travelling with him in his car.

Temur Khachishvili, Giga Gelashvili, Gocha Gelashvili, Gocha Tediashvili, and Nikoloz Gedevanishvili have been arrested. They have admitted to the crime.

On the morning of 20 June, on the personal orders of Temur Khachishvili and Giga Gelashvili, Gelashvili's bodyguards Gocha Tediashvili and Gocha Gelashvili took up positions outside Soliko Khabeishvili's house. At about 0950, when Khabeishvili came out of his house, Gocha Tediashvili approached him from behind and shot him several times in the head and back from a so-called noiseless pistol. You can now see Gocha Tediashvili showing to his interrogators how he committed the murder. [passage omitted] Although killing the driver was not part of their task, Gocha Gelashvili shot him twice and killed him. He thought that the driver might offer him armed resistance.

The latest terrorist act was the attack against the head of state. As you know, on 29 August 1995, when the head of state and other officials were leaving for a ceremony to sign the new constitution, a remote controlled bomb, planted in a Niva car, exploded in the parliament courtyard. As a result, the head of state and other officials were injured. The investigation has established that the explosive device was planted in the Niva car by a Security Service officer, Captain Guram Papukashvili.

The terrorist attack against the head of state was planned and carried out by leaders and officials of the Rescue Corps, the Mkhedrioni, and the Security Service. Among the organizers of the attack were Temur Khachishvili and Giga Gelashvili.

A lot of material evidence has been discovered during the investigation of the aforementioned terrorist acts. [passage omitted]

For your information: Giga Duglas dze [patronymic] Gelashvili, born 1963, was the chairman of the Rescue Corps of the Republic of Georgia. Temur Shota dze Khachishvili, born 1961, has two past convictions and was the deputy chairman of the Security Service of the Republic of Georgia and a Security [Service] major general. They have been charged with setting up terrorist groups and organizing and carrying out terrorist attacks. [passage omitted]

Ardzinba Rejects Report on Russian-Georgian Attack

LD1809165295 Moscow Radiostantsiya Ekho Moskvy in Russian 1500 GMT 18 Sep 95

[FBIS Translated Excerpt] Abkhazian leader Vladislav Ardzinba today effectively repudiated yesterday's statement by the republic's security service about possible aggression by Russia and Georgia. Ardzinba said it was difficult to believe the absolute authenticity of the report. At the same time, official Sukhumi has asked the Russian Foreign Ministry to let the Abkhazian leadership have a copy of the documents signed during the recent visit to Tbilisi by Prime Minister Chernomyrdin. [passage omitted]

Abkhaz Leader Requests Copies of Russian-Georgian Deal

LD1809175795 Moscow ITAR-TASS in English 1649 GMT 18 Sep 95

[By Irina Shchegoleva]

[FBIS Transcribed Text] Sochi, September 18 (ITAR-TASS) — Abkhazian leader Vladislav Ardzinba asked Russian Foreign Minister Andrey Kozyrev on Monday to provide him with copies of the documents signed during the September 15 visit to Georgia by a Russian official delegation led by Russian Prime Minister Viktor Chernomyrdin, the Abkhazian Foreign Ministry said.

The ministry explained the request by the continuing heated debates over a Russian-Georgian agreement which, as Abkhazia's special services claim, provides for "forcible methods of resolution of the Georgian-Abkhazian conflict."

In his message to Kozyrev, Ardzinba stressed that the Abkhazian leadership would like to have the copies of the documents "in order to be able to make an objective assessment of the situation."

Deputy Premier on Use of Force With Abkhazia

LD1809182995 Moscow Russian Public Television First Channel Network in Russian 1700 GMT 18 Sep 95

[From the "Vremya" newscast by announcer Nelli Petkova]

[FBIS Translated Text] Georgian Deputy Prime Minister Tamaz Nadareishvili spoke of the ways to resolve the conflict between Georgia and Abkhazia today.

[Begin Nadareishvili recording] I think the leadership of Georgia made all the concessions possible during negotiations, which have now been going on for more than two years.

Having now adopted a new constitution, Georgia proposes that Abkhazia's status within Georgia is that of a subject within a federation.

We are ready to talk on practically any subject within a single Georgian state.

Unfortunately, however, the leadership of Abkhazia rejects these proposals of ours and insists on the continuation of the talks as an equal subject; that is to say, like negotiations between two independent states, to build relations in the future like two neighboring states.

This is absolutely unacceptable to Georgia and our view is that if these proposals of ours are not accepted, then, at the end of the day, what remains is to use force as a method to resolve this issue. [end recording]

Estonia

Vahi, Danish Foreign Minister Discuss EU, NATO

LD1809194795 Tallinn Estonian Television Network in Estonian 1730 GMT 18 Sep 95

[FBIS Translated Excerpt] Danish Foreign Minister Niels Helveg Petersen arrived in Estonia on an official visit this morning. [passage omitted] [Correspondent] At a meeting with Estonian Prime Minister Tiit Vahi, Petersen said that although Estonian-Danish relations were good, they could still be improved. There was a general common interest in the expansion of the European Union, first of all. Speaking about the possible expansion of NATO, Petersen said Denmark's position was that Estonia should apply for NATO membership on the same basis as other Eastern European states.

Vahi also briefed Petersen on the current state of Estonian-Russian relations. The guests were interested in the Estonian-Russian border issue and the possibility of the trade agreement between the two countries being ratified. [passage omitted]

Petersen Supports EU, NATO Aspirations

LD1809142495 Tallinn Radio Tallinn Network in Estonian 1300 GMT 18 Sep 95

[FBIS Translated Excerpt] Danish Foreign Minister Niels Helveg Petersen, who is visiting Estonia, said at a meeting with Estonian Foreign Minister Riivo Sinijarv that Denmark in every way supports Estonia becoming a member of the EU and the NATO expansion. Petersen said that relations with Estonia are among Denmark's important foreign policy priorities. Looking from Denmark, these relations are emotional and close.

Petersen emphasized that stability in the Baltic countries is politically and economically extremely important for all the states around the Baltic sea. He said Estonia should definitely submit its application for joining the EU before the conference of the governments of the EU member states next year. He added that the Danish parliament is likely to ratify Estonia's EU association agreement in October or at the beginning of November.

Sinijarv expressed his satisfaction over Denmark's position on NATO expansion and matters of the EU. He expressed the desire to continue cooperation on peacekeeping operations.

During his Estonia visit, the Danish foreign minister is also to meet Prime Minister Tiit Vahi, Defense Minister Andrus Oovel, and President Lennart Meri. [passage omitted]

The aim of the Danish foreign minister's two-day visit is to study Estonia's achievements in reforming the society and economy. Petersen is also to discuss with Estonian leaders the development of Estonian-Danish relations in the past and in future and to discuss the cooperation of the two states in integration into Europe. [passage omitted].

Poland Offers Credits For Possible Arms Purchase

WS1809141395 Tallinn BNS in English 0914 GMT 18 Sep 95

[FBIS Transcribed Text] Tallinn, Sep 18, BNS — Poland is offering Estonia credit to buy weapons, the daily EESTI PAEVALEHT wrote on Monday with reference to Defense Ministry Chancellor Robert Lepikson.

The offer was made to an Estonian delegation during negotiations with Polish defense industry representatives last week. Lepikson said the decision about a possible arms purchase rests with the parliament but it's not yet sure if the Polish proposal will go to parliament at all. Meanwhile, he admitted that Polish arms meet world standards, EESTI PAEVALEHT wrote.

Lepikson told the paper the defense ministry wants to have samples of all the arms Poland offers for testing before making a decision.

"We hope thus to avoid a repetition of the mistakes made in previous purchases of weapons," he said. "There will be no Israeli arms deal this time."

The 1993 arms deal with the Israeli TAAS company sparked heated political debate in Estonia.

Lithuania

Presidential TRT Address on Upcoming Turkish Visit

TA1809195295 Ankara TRT Television Network in Turkish 1700 GMT 18 Sep 95

[Address by Lithuanian President Algirdas Brazauskas to TRT Television in Vilnius; date not given — recorded, in Lithuanian with superimposed translation into Turkish]

[FBIS Translated Text] Good evening, dear TRT viewers. I am happy to address you. I will visit your beautiful country in a few days. Both I and my delegation are preparing very seriously for this visit. A very big delegation comprising industrialists, bankers, and businessmen will accompany me on this visit. This proves the importance Lithuania gives to expanding its relations with Turkey.

We have, until now, covered great distances in our bilateral relations. Various agreements, mainly in the areas of friendship and cooperation, have been signed between the two countries. I hope that our ministers will have a chance during my visit to sign certain agreements, especially in the areas of science and education.

In addition, I would like to gather information regarding cooperation with Europe, other countries, and European organizations. Moreover, I hope to be briefed on your cultural programs and very rich and world-famous history.

I believe that my visit will contribute to expanding the relations between the two countries. I am pleased to say that my people greatly respect Turkey, its people, and our existing cooperation. This also stresses the importance of my visit.

I will meet President Suleyman Demirel and other Turkish officials to discuss our future relations, and I hope that this will lay the groundwork for undertaking mutual projects, bringing prosperity to our nations and peoples, and participating actively in the workings of the international organizations.

President Brazauskas Departs for Romania, Turkey

LD1809181995 Moscow INTERFAX in English
1625 GMT 18 Sep 95

[From the "Diplomatic Panorama" feature by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] Vilnius, Sep 18 (INTERFAX) — Lithuanian President Algirdas Brazauskas flew out to Romania for an official visit Monday. From Bucharest he will go to Turkey.

The Lithuanian president's office told Interfax that in Romania Brazauskas will sign agreements on cooperation in health care and culture. He is also expected to sign an agreement on cooperation between the two countries' interior ministries. Brazauskas is to deliver a speech in the Romanian parliament.

Romanian President Ion Iliescu paid an official visit to Lithuania last spring.

In Turkey Brazauskas is expected to sign an agreement on bilateral military cooperation, the same source said.

Talks are also to be held on issues pertaining to NATO's expansion and the possibility of Lithuania's joining it, and also on broadening trade and economic cooperation between the Baltic and Black Sea countries.

Brazauskas Addresses Romanian Parliament

LD1809222895 Moscow ITAR-TASS in English
2046 GMT 18 Sep 95

[By Nikolay Morozov]

[FBIS Transcribed Text] Bucharest, September 19 (ITAR-TASS) — "The expansion of NATO in Europe should lead to the disappearance of 'gray zones' on the continent swept by uncertainty and security vacuum," Lithuanian President Algirdas Brazauskas said as he addressed the Romanian parliament on Monday.

Brazauskas is in Romania on a two-day official visit at the invitation of its President Ion Iliescu.

During the talks, the two presidents agreed that bilateral trade and economic relations have not yet lived up to the potential of the two countries. They discussed prospects for signing an agreement on free trade between Lithuania and Romania and for the two countries' accession to the Central European Free Trade Agreement.

Brazauskas also had talks with Romanian Prime Minister Nicolae Vacaroiu and the chairmen of both houses of the parliament, Oliviu Gherman and Adrian Nastase. He also laid a wreath at the tomb of the Unknown Soldier.

Brazauskas Concludes Visit to Romania

LD1909090495 Vilnius Radio Vilnius Network
in Lithuanian 0700 GMT 19 Sep 95

[FBIS Translated Text] Lithuanian President Algirdas Brazauskas concluded his official visit to Romania today, 19 September, ELTA reports. Algirdas Brazauskas and the delegation accompanying him arrived in Bucharest on 18 September. After an official meeting ceremony at the Romanian president's office, Algirdas Brazauskas and Romanian President Ion Iliescu had a tete-a-tete conversation. At the same time, a meeting was held between the Lithuanian and Romanian delegations.

Algirdas Brazauskas told the media that at his meeting with the Romanian president he discussed the possibilities and the efforts of the two countries to integrate into the European structures — NATO among them — as rapidly as possible. We, the descendants of the socialist system [as heard], have to coordinate our steps in this difficult process, Algirdas Brazauskas stressed.

Yesterday afternoon the Lithuanian president met Romanian Prime Minister Nicolae Vacaroiu. During the meeting an agreement was reached on additional quotas for transit transport, on avoiding double taxation on imported goods, and on the possible introduction of visa-free travel between the two countries. The Romanian prime minister said that he attaches great importance to the prospects of economic cooperation between Lithuania and Romania. Romania will be trying to create the best possible favorable trade conditions for Lithuania, Nicolae Vacaroiu noted.

Algirdas Brazauskas also met the presidents of the Romanian Senate and the chamber of deputies. He delivered a speech at the Romanian parliament.

Romanian President Ion Iliescu hosted a reception yesterday night in honor of Algirdas Brazauskas. The presidents of the two countries exchanged toasts.

Please accept my sincere gratitude for the opportunity to visit your hospitable country, Algirdas Brazauskas said. Although it is not my first time in Bucharest, it is the first official visit to Romania by a president of the Republic of Lithuania. During my stay, I have had yet another chance to note the sincerity and friendliness of the Romanian people. I am pleased to note that three agreements, significant to our countries, have been signed during the visit, the Lithuanian president said. He stressed that the good and friendly relations between Lithuania and Romania have been predetermined by common goals and aspirations.

Even more energetic bilateral cooperation between Lithuania and Romania will also speed up the process of integration into the European structures. Lithuania is specifically interested in the Central European Free Trade Agreement — the CEFTA — and would like to take part in it. We believe that your country shares this viewpoint, Algirdas Brazauskas said. I believe that economic and commercial cooperation between Lithuania and Romania could be boosted by signing a free trade agreement. Such an agreement would be an important step toward strengthening economic integration in central Europe and toward encouraging cooperation between the Baltic states and the countries of the Black Sea. In general, relations between central and eastern European countries should be made more vivid and dynamic, the Lithuanian president noted.

In his response to Algirdas Brazauskas' speech, Romanian President Ion Iliescu said that Romania will be making every effort in order that political, economic, and cultural links between the two countries develop to the best possible extent.

Early this morning, the Lithuanian and Romanian presidents held a final meeting. Several bilateral agreements were signed afterward. Later, a news conference was held by the two presidents, which was followed by a farewell ceremony of the Lithuanian and Romanian presidents. Algirdas Brazauskas and the Lithuanian delegation left Bucharest for Turkey.

Scheduled November Visit of Secretary Perry Discussed

WS1909093895 Tallinn BNS in English
1454 GMT 18 Sep 95

[FBIS Transcribed Text] Vilnius, Sept 18, BNS — U.S. secretary of defense William Perry has not changed his intention to visit the Baltic countries. "The visit of this influential politician has been put off til a later date — he is expected in the middle of November," said Povilas Malakauskas, director of the department of international relations at the Lithuanian defense ministry.

The U.S. defense secretary began a visit to Europe on Friday. He will visit members-states of the Partnership for Peace — Slovenia, the Czech Republic, Slovakia, and Hungary — as well the NATO countries of Germany and Italy.

Lithuanian defense ministry staff first announced a forthcoming visit by Perry to the Baltic countries this spring. The visit, which promised to be the most significant event in defense cooperation between Lithuania and the United States, was planned for the end of June.

Later it was reported that the head of the U.S. defense department would arrive at the end of the summer, and Walt Slocombe, the U.S. assistant secretary of defense for political issues, visited Lithuania on June 23.

In August it became clear that Perry's visit would be postponed, and now a visit in November has been announced.

"This situation does not seem strange to me," Malakauskas told BNS. He stated that Perry's plans to visit the Baltic states had only been tentative, and there was no reason to take offense at the change in schedule. The department head said that such things frequently occur when visits of high-ranking officials are planned.

Malakauskas was very positive about defense cooperation between Lithuania and the US. A Lithuanian-American treaty was signed at the Pentagon one year ago. The Lithuanian army is being aided materially, and Lithuanian military personnel are being trained in the United States.

Prime Minister Meets U.S.-Baltic Business Members

LD1909095995 Vilnius Radio Vilnius Network in Lithuanian 0900 GMT 19 Sep 95

[FBIS Translated Text] Prime Minister Adolfas Slezevicius today met with members of the board of the Baltic-

U.S. business foundation, who are currently on a visit to Lithuania, a government spokesman has reported.

The Lithuanian prime minister told the guests about the conditions for business, basic taxation principles, and foreign investment opportunities in Lithuania. Representatives of the Baltic-U.S. business foundation noted that Western business people and media have a good opinion about the positive developments of the Lithuanian economy. Even though the United States lags behind Germany, Lithuania's long-time partner, in terms of investments into the Lithuanian economy, the Americans believe that the situation may change as soon as the port of Klaipeda becomes an updated enterprise for container shipping.

On 18 September, a representative office of the Baltic-U.S. business foundation was opened in Vilnius. The foundation is a privately owned non-profit organization, financed by the U.S. Government, and aims at providing support for the development of small- and medium-range businesses in the Baltic countries.

Vilnius, Warsaw Agree To Broaden Cooperation

LD1809193595 Moscow INTERFAX in English
1715 GMT 18 Sep 95

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Lithuanian and Polish prime ministers Adolfas Slezevicius and Josef Oleksy signed an agreement on border cooperation Saturday [16 September].

(On September 15 and 16, the Polish prime minister paid his first official visit to Vilnius since Lithuania gained independence five years ago.)

Slezevicius told a press conference following the talks that the sides had also discussed the possibility of Lithuania's joining the Central European Free Trade Agreement (CEFTA) in 1996 which, he said, will "accelerate Lithuania's integration with the European Union and other European organizations."

Speaking about the problem of NATO expansion, he said that the two states' positions on the issue "fully coincide". He confirmed that Lithuania will continue to seek NATO membership.

Free democratic countries "have the right to shape their foreign policy on their own, and no larger countries can decide anything for them," he said.

Speaking about the drafting of a free trade agreement between Lithuania and Poland, Slezevicius said that this document and agreements on the state border and customs cooperation might be signed this year.

He announced that the sides had agreed to cooperate in the construction of a high-voltage electric power line which will allow Lithuania to export electricity to the West, and in the construction of a European-class railroad in Lithuania.

Assessing Lithuania's relations with the Kaliningrad region, Slezevicius and Oleksy expressed "absolute interest" in the demilitarization of the Kaliningrad region and its subsequent transformation into a free economic zone. A tripartite Polish-Lithuanian-Russian meeting might facilitate the implementation of this idea, he said. The Polish prime minister said that "all decisions on the Kaliningrad region are the prerogative of Russia, although dialogue is important here."

He also stated that Poland "resolutely supports" Lithuania's membership in the CEFTA and that during the talks much emphasis was laid on the problem of regional cooperation and Lithuania's and Poland's role in it.

Touching upon problems of European security and NATO expansion, he said that Warsaw favors "the expansion of NATO and the inclusion of the Baltic states in it." He noted, however, that NATO expansion is not targeted against any country.

He said Russia's interests must be taken into account in this context. He added, at the same time, that "Boris Yeltsin's recent tough statements on NATO will not make Poland give up plans for becoming a NATO member." He emphasized the importance of supporting democratic reforms in Russia.

In answer to the INTERFAX question about the implementation of the project for joint control over the air space, and for forming up a Lithuanian-Polish peacekeeping battalion, Oleksy said that an agreement was reached during the talks "to accelerate preparations for implementing these projects."

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